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**SUPERGRADE AND RESEARCH-SCIENTIFIC
POSITIONS IN VARIOUS FEDERAL AGENCIES**



**HEARINGS
BEFORE THE
COMMITTEE ON
POST OFFICE AND CIVIL SERVICE
HOUSE OF REPRESENTATIVES**

EIGHTY-SIXTH CONGRESS

FIRST SESSION

ON

S. 1845 and H.R. 8479

**BILLS TO PROVIDE FOR THE ESTABLISHMENT OF RATES
OF BASIC COMPENSATION FOR CERTAIN POSITIONS IN
THE PATENT OFFICE IN THE DEPARTMENT OF COMMERCE,
AND FOR OTHER PURPOSES**

AUGUST 20 AND 21, 1959

Printed for the use of the Committee on Post Office and Civil Service



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SUBCOMMITTEE APPOINTED TO CONSIDER S. 1845 AND H.R. 8479

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SUPERGRADE AND RESEARCH-SCIENTIFIC POSITIONS IN VARIOUS FEDERAL AGENCIES

THURSDAY, AUGUST 20, 1959

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE OF THE
COMMITTEE ON POST OFFICE AND CIVIL SERVICE,
Washington, D.C.

The subcommittee met, pursuant to call, at 10 a.m., in room 215, House Office Building, Hon. James C. Davis (subcommittee chairman) presiding.

MR. DAVIS. The subcommittee will please come to order.

We are certainly glad to have sitting in with us this morning Chairman Murray of the full committee.

MR. MURRAY. Thank you, sir.

MR. DAVIS. And Mr. Rees, the ranking minority member.

MR. REES. Thank you, sir.

MR. DAVIS. This subcommittee was appointed to consider S. 1845 which passed the Senate on July 29 of this year and an identical bill, H.R. 8479, introduced in the House of Representatives by the Honorable James H. Morrison of Louisiana.

(The Senate bill, S. 1845, follows:)

[S. 1845, 86th Cong., 1st sess.]

AN ACT To provide for the establishment of rates of basic compensation for certain positions in the Patent Office in the Department of Commerce, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 202 of the Classification Act of 1949, as amended (5 U.S.C. 1082), is amended by redesignating the paragraph thereof which was added by the Defense Department Overseas Teachers Pay and Personnel Practices Act as paragraph (33), and by changing the period at the end of such subsection to a semicolon and adding the following new paragraph:

“(34) examiners-in-chief and designated examiners-in-chief in the Patent Office in the Department of Commerce.”

SEC. 2. The first paragraph of section 3 of title 35, United States Code, is amended by adding at the end thereof the following new sentence: “The Secretary of Commerce is authorized to fix the rates of basic compensation of examiners-in-chief and designated examiners-in-chief in the Patent Office, at per annum rates not in excess of the maximum scheduled per annum rate of compensation provided for positions in grade 17 of the General Schedule under the Classification Act of 1949, as amended.”

SEC. 3. The enactment of the amendments made by the first section and section 2 of this Act shall not affect—

(1) any position of examiner-in-chief in the Patent Office in the Department of Commerce existing immediately prior to the date of enactment of this Act,

(2) the compensation attached to such position of examiner-in-chief, or

(3) any incumbent of such position, his appointment thereto, or his right to receive the compensation attached thereto.

until appropriate action is taken under authority of the amendment made by section 2 of this Act.

SEC. 4. (a) The rate of basic compensation of the Administrative Assistant Attorney General, the Administrative Assistant Secretary of the Interior, the Administrative Assistant Secretary of Agriculture, the Administrative Assistant Secretary of Labor, and the Administrative Assistant Secretary of Treasury shall be \$19,000 per annum.

(b) Section 505 of the Classification Act of 1949, as amended, is amended by adding at the end thereof a new subsection as follows:

"(j) The Attorney General is authorized to place a total of three positions in the Bureau of Prisons in grade 17 of the General Schedule. Such positions shall be in addition to the number of positions authorized to be placed in such grade by subsection (b)."

Passed the Senate July 29, 1959.

Attest:

FELTON M. JOHNSTON,
Secretary.

Mr. DAVIS. These bills provide for the establishment of rates of basic compensation in the Patent Office of the Department of Commerce, and for other purposes.

The members of this subcommittee are Representatives Shipley, Dulski, Gross, Wallhauser, and myself as chairman.

In summary, the general effect of this proposed legislation is that, first, the Secretary of Commerce would be authorized to fix the rates of basic compensation of examiners in chief and designated examiners in chief at per annum rates not in excess of the maximum compensation provided for in positions of grade 17 of the general schedule of the Classification Act of 1949 as amended.

Second, the rate of basic compensation of the Administrative Assistant Attorney General and the Administrative Assistant Secretaries of Interior, Agriculture, Labor, and Treasury would be \$19,000 per annum.

Third, the Attorney General would be authorized to place a total of three positions in the Bureau of Prisons at grade 17 of the general schedule of the Classification Act of 1949, as amended.

The chairman of the Committee on Post Office and Civil Service has been contacted by several other departments and agencies concerning requirements for additional supergrade positions, other executive positions, and Public Law 313 research and scientific positions.

The chairman has requested this subcommittee to explore these requests along with the provisions of the subject bill, S. 1845.

We, therefore, have with us today representatives from the Department of Agriculture, the Department of Health, Education, and Welfare, Treasury, and the Small Business Administration, along with representatives from the Department of Commerce and Justice Department, to discuss these requests with this subcommittee.

We have also received a letter dated August 5, 1959, from the Director of the Administrative Office of the United States Courts concerning the interest of that Office in the change of the title of the Assistant Director and a proposal to provide the Office with authority to hire a consultant on a temporary basis for specialized studies.

The first witness on our list is the Honorable Ralph S. Roberts, Administrative Assistant, Secretary of the Department of Agriculture. We are glad to have you with us, and we shall appreciate having your statement.

STATEMENT OF HON. RALPH S. ROBERTS, ADMINISTRATIVE ASSISTANT SECRETARY, DEPARTMENT OF AGRICULTURE; ACCOMPANIED BY DR. BYRON SHAW, ADMINISTRATOR, AGRICULTURE RESEARCH SERVICE, AND ERNEST C. BETTS, DIRECTOR OF PERSONNEL

Mr. ROBERTS. Thank you very much, Mr. Chairman.

I have on my right Dr. Byron Shaw, the Director of Research in the Department of Agriculture.

On my left is Mr. Ernest Betts, our Department Director of Personnel.

Mr. Chairman, the Department appreciates the opportunity to appear before your committee to discuss the need for additional authority under Public Law 313 as proposed in a recent draft bill referred for committee consideration.

Attached to the letter of August 10 transmitting this proposal to the Speaker of the House was a summary statement briefly outlining the character and diversification of the Department's research programs, and explaining the importance of amending the present Public Law 313 authority as it applies to the Department of Agriculture. I assume that the members of this committee have been furnished with copies of that attachment, and, therefore, to conserve your time, will limit my statement here today to a few supplementary facts that may be helpful to you in the consideration of this problem.

If there is need for additional copies, we have them here, Mr. Chairman, or have furnished them to the staff.

Members of the committee will recall that the Department was given authority for five scientific and professional positions at rates of \$12,500 to \$19,000 under the Federal Employees Salary Increase Act of 1958, by amendment of Public Law 313. While this enactment provided some relief in the staffing of our research organizations it was necessarily limited in its effects upon our total needs. The purpose of the proposed amendment is twofold: (1) To effectively meet the situation which currently confronts the Department in competing for critical top-level research competence under present day conditions of growth and development of science in general, thus to improve our capability to attract and retain scientists of outstanding caliber in order to advance research frontiers in agriculture as well as to solve, through research, some of our current agricultural problems; (2) equally important, to permit outstanding scientists to continue to apply their scientific knowledge and background to research projects, and compensate them adequately for their research efforts, rather than assume positions having supervisory or administrative responsibilities.

Our proposal would increase the Department's number of Public Law 313 positions from 5 to 46. If approved, the positions would be used in areas of farm, marketing, utilization, and forestry research in which skill of the highest order is needed in the biological and physical sciences and engineering to provide adequate leadership and to assure continued availability of unusual scientific competence in our research and development program. The research itself is directed generally toward reducing the hazards and costs of agricultural production and marketing, improving the quality of agricul-

tural products, and increasing the utilization and consumption of agricultural commodities. As an example which illustrates the relative importance of research in agriculture today, one of our most urgent problems is to find new ways of expanding markets for the abundance of food and fiber now being produced on the farm. We are confident that our utilization research designed as it is to develop new and improved use for all agricultural commodities and with particular emphasis on the surplus situation, will make an important contribution to solving the surplus problem. Two specific illustrations of current research with promising possibilities are (1) the development of chemically modified starches and other products from cereal grains to make them useful in manufacturing paper and other industrial products. Potential use in the paper industry as well as use for detergents, packaging films, adhesives, tanning, and other related use would require about 350 million bushels of cereals per year in contrast to 60 million bushels in current use for some of these products, and (2) the development of new chemical treatments to endow cotton with superior "easy-care" properties in combination with resistance to rot, mildew, and flame has already saved markets to the extent of 800,000 bales annually. We hope through further research in this area to accelerate the recovery of markets which have been lost to synthetic fibers. Many examples of specific research effort and accomplishment in this and in the other prime areas of research in production, marketing, and forestry could be cited. Our total research effort recognizes that individual farm efficiency as well as economic progress for agriculture as a whole, depend heavily upon research effort of this kind to improve: soil and water management and conservation; the quality and characteristics of plants and animals to meet increasing demands in the marketplace for superior products; disease, insect control, and machinery and equipment to increase production efficiency; and similar goals which have the basic purpose of continued progress for agriculture through research. If the committee is interested in further discussion of our research objectives and long-range planning, Dr. Shaw who serves as research coordinator for the Department will be glad to amplify them for you.

With increased competition among Federal agencies, other public institutions, and private industry, the Department has been able to maintain as high a level of agricultural research, only through the efforts of a devoted and dedicated staff of scientists. As a matter of equity, their competence and accomplishments should be recognized at a level commensurate to that given scientists in other Federal and public scientific agencies.

In illustration of some of the difficulty we have encountered in the last year or so in interesting top talent in our research positions and in retaining our own research people of outstanding competence, there are examples of actual cases which we would like to summarize for the record, wherein outside scientists declined employment offers from us or resigned for reason of better salary opportunity outside the Department. These examples represent highly competent scientists whom we feel, unquestionably, could have been held or obtained, if additional positions within the salary range of Public Law 313 were available to us. A most noteworthy example in point involves an internationally recognized livestock disease research scientist who de-

clined employment with us at the GS-15 grade level but who subsequently joined the Department when we were able to offer him one of the five new Public Law 313 positions authorized under the 1958 Pay Act at \$19,000 per annum.

In one agency alone, eight top scientists in the fields of plant pathology, hydraulic engineering, agronomy, botany, veterinary medicine and poultry husbandry resigned to accept non-Federal positions at salaries ranging from \$12,500 to \$25,000. In another agency, two chemists, two physicists, one chemical engineer, one geneticist, and one research forester resigned to accept outside offers far in excess of their Department salary.

On the recruitment side of this problem we have encountered similar difficulties. In the case of one high level vacancy at GS-15, we had three declinations for the position because of inadequate salary. The declinations involved a dean of veterinary medicine at a prominent land-grant university (the example mentioned earlier); the head of the department of veterinary science at a large university; and the third, a top staff member of a well-known private research foundation. These contacts represent intensive, but unsuccessful, efforts to fill the vacancy with a man having the capability, knowledge, experience, breadth, and scientific prestige necessary to assure full development and administration of highly important animal disease research.

In another case, a prominent home economist on the staff of a large university indicated no interest in a GS-15 position as associate director of home economics research because of inadequate salary.

Some of these instances of our recruitment and retention problems were discussed with the committee in the June 1958 hearings and details on them were submitted for your official files. We can supply the names and details in the other cases mentioned if the committee so desires. I have refrained from identifying them in this public record, to avoid violating the confidence of the individuals involved and their employers.

In summary, with such continuing difficulty in recruiting and retaining our key scientists and because Public Law 313 offers the only avenue of relieving this basic problem, we urgently recommend the committee give favorable consideration to this proposed amendment. The justification statement accompanying the proposal, as well as the supporting material on individual positions, provides detailed information on the nature of this problem and the kinds of positions for which the additional authority would be used. If in your consideration of our proposal you feel that additional information is needed, we will be very glad to furnish it to the committee or the staff.

Dr. Shaw and I appreciate very much the opportunity of presenting our views to you on this important problem on which we had some discussion during hearings your committee held last year.

Mr. DAVIS. Mr. Roberts, in your statement, you refer to research looking toward the use of grain for paper and some other items mentioned there.

Have you already started that project and, if so, how far along are you with it?

Mr. ROBERTS. May I ask Dr. Shaw to respond to your question? He is supervising that work.

Mr. DAVIS. Surely.

Dr. SHAW. Yes, sir.

We have started the project and it is well underway. The project involves the modification of starch from cereals into a new product that is called dialdehyde starch. It is an oxidized starch which gives it peculiar properties that indicate it can be combined with cellulose pulp in making paper and will make paper of a better quality. We feel it can be incorporated into paper to around 10 percent of the total bulk economically in terms of paying the market price for cereals and using them that way.

Mr. DAVIS. When did you start the project?

Dr. SHAW. We have been working on the project for about 2 years. The breakthrough that we made was in finding an economical method of oxidizing the starch. One commercial company is currently manufacturing the starch under the name of "Sumstar" and it is now available and being widely tested in the industry.

It not only has this possibility in papermaking but it has a number of other peculiar properties. It has been tried out in the tanning of leather. It not only reduces the time required to tan leather from about a month to around about 3 days, but it gives a better quality of leather. One example is that you can tan leathers white and, therefore, we think that leather can go more into the garment trade. The leathers can be dyed any color and are soft and pliable.

It has the interesting characteristic that the leather can be washed in hot water and will not shrink.

So, we think it has a good chance of going into that market. Currently we are importing all of our vegetable tanning materials which go into the tanning of leather but this would make available to us these materials domestically. We also expect various uses of starch in plastics manufacture in a number of things like films or cellophane type of materials. It would have an advantage in this field in that it would be an edible package made out of starch. I do not know what attractions that would have in the market but it would seem that people would prefer to have a package that was edible on the foods they were using.

There is a whole host of products that we think these can go into, and, as Mr. Roberts indicated in the statement, we see markets for some 350 million bushels of cereals coming as a result of this work.

Mr. DAVIS. Does that seem to be in the immediate future or pretty well in the near future?

Dr. SHAW. I would say so, yes.

It takes time for these things to get tried out in pilot plant tests in the industries and to get them on a going basis, but it is within 3, 4, or 5 years, I would say.

Mr. WALLHAUSER. Would this research that you are doing have any harmful effect on other basic industries?

Dr. SHAW. Take the one of paper. There is a continuing demand for an increased volume of newsprint. We think we could come into that field without damaging other markets.

Mr. WALLHAUSER. That is the answer to the question.

Dr. SHAW. That is one of the uses and another is in the tanning process. You see, it would replace an import. So, those are the kinds of uses we are looking for.

There is no good overall to agriculture if we just displace something.

Mr. DAVIS. Mr. Roberts, you mention in your statement that in one agency alone there were eight top scientists who would not come with you, or remain with you, and that they resigned to accept non-Federal positions at salary rates ranging from \$12,500 to \$25,000.

In an instance of that kind, even with the assistance you are asking for here, you could not have retained those men at the higher salaries listed there, could you?

Mr. ROBERTS. We think we could have retained most of them. We think most of these men would have stayed with the Government at salaries ranging from \$16,000 to \$19,000.

Mr. DAVIS. You mentioned a little further along about some declinations of offers that you made to certain university people and so forth. Did you run up against the same thing that outsiders run up against when they try to get your devoted people away from you, that they probably felt a sense of loyalty to the institutions concerned?

Mr. ROBERTS. We ran into that and additional problems, Mr. Chairman. There is also the problem of people who are engaged in work, particularly at the land-grant colleges and in other college communities, who have their homes there, they are happy with their living conditions and it is hard for them to pull away and come to larger urban areas such as we have here in the vicinity of Washington.

Mr. DAVIS. In spite of that, however, you feel this would help you?

Mr. ROBERTS. This will help us exceedingly. One example I gave earlier is an indication of it—the dean who turned us down but after we obtained Public Law 313 authority we used it to obtain his services; he is now occupying one of the very important positions we have in research.

Mr. DAVIS. You have asked for, I believe, 41 of these Public Law 313 type positions?

Mr. ROBERTS. Yes, sir.

Mr. DAVIS. How many of those do you have now?

Mr. ROBERTS. We asked for 41 additional ones. We have five at the present time.

Mr. DAVIS. If you were given these 41 additional positions, how would they be distributed in the Department of Agriculture by function and by organization?

Mr. ROBERTS. We have furnished to the committee a complete list of the positions which would be typical of those to which these authorities would be allocated. We have examined very carefully all of our four major areas of research and have selected the type of positions we think these authorities might best be used for.

Mr. DAVIS. Would these 41 research positions mean an additional 41 research positions or just salary increases to people who are currently at work in the Department?

Mr. ROBERTS. They would be used in part for salary increases to some people who now work in the Department, some would be used to attract people to vacancies we now have.

Mr. DAVIS. Could you give us a breakdown on that, or some idea as to how that would work out?

Mr. ROBERTS. Yes, sir. That was included in the submission we furnished the committee, but I do not have it in terms of figures.

Mr. DAVIS. Could you furnish it for the record?

Mr. ROBERTS. We would be glad to furnish it for the record.

(The information requested follows:)

Distribution of 41 research positions

By salary increase to present employees.....	30
Vacancies to be filled by recruitment.....	11
Total.....	41
By agency within Agriculture:	
Agricultural Research Service.....	28
Agricultural Marketing Service.....	6
Forest Service.....	7
Total.....	41

Mr. WALLHAUSER. I was going to ask the same question.

Mr. DAVIS. Do you have any vacancies at this time which you are unable to fill adequately in your Research Department?

Dr. SHAW. Yes, sir; we do, sir, and in this submission of illustrated cases that we were not able to give you the exact number of vacancies, several are indicated as vacancies. Positions such as chief scientist of our Pioneering Laboratory on microbiological chemistry in utilization research is vacant and we are not able to attract the kind of person we want.

Mr. DAVIS. How long has that position been vacant?

Dr. SHAW. A little over a year.

Mr. DAVIS. And you have been trying to fill it all that time?

Dr. SHAW. Yes, sir.

Mr. DAVIS. Do you recall any other vacant positions that you were not able to fill?

Dr. SHAW. Yes, sir.

We have a vacancy for a virologist in our Animal Disease and Parasite Research Division that we would intend to use one of these positions for that we have not been able to attract an outstanding virologist to accept.

Mr. DAVIS. How long has that position been vacant?

Dr. SHAW. That one has been vacant since about 1957.

Mr. DAVIS. Are there any others that you recall at the moment?

Dr. SHAW. A microbiologist also in our Animal Disease and Parasite Research Division. There is a vacancy that we have been trying to fill at least for a year and have not been able to fill it. We have a vacancy for a chief scientist in our Blood Antigen Research Laboratory which has been vacant about a year and a half.

We have one for a physiologist in our Animal Husbandry Division that we have not been able to fill and it has been vacant for more than a year. We have one for a soil microbiologist in the Forest Service. I do not have the time that that has been vacant but it is a vacancy that would be intended to be filled.

We have another one for a meteorologist on forest fire research in the Forest Service and, again, I cannot give you the time that it has been vacant. We have one for a wood chemist in our Forest Products Laboratory at Madison, Wis., which is vacant and one for a chief plant physiologist in the Forest Service.

I think I have given you most of the vacant ones.

Mr. DAVIS. You do believe that these additional positions which you are requesting would assist you in filling these positions and recruiting for these top-paying jobs in research?

Dr. SHAW. Yes, sir; I feel certain they would.

Mr. DAVIS. How does your appropriation for fiscal year 1960 for agricultural research compare with previous fiscal year appropriations for research?

Dr. SHAW. We have for fiscal year 1960, \$123,637,000 for all research in the Department. That is for the total appropriation for research in the Department; \$31 million of that is for Federal grants to State experiment stations and \$91 million is used directly by the Department.

In 1956 we had \$82 million. It has gone up from \$82 million to \$123 million in the period from 1956 to 1960.

Mr. DAVIS. What was it for 1959?

Dr. SHAW. In 1959 it was a total of \$121 million as against \$123.6 million in 1960.

Mr. DAVIS. Has the Civil Service Commission at any time established a need in the Department of Agriculture for these 41 research positions that you are asking for?

Mr. ROBERTS. Mr. Chairman, this problem in Agriculture with reference to Public Law 313 positions has been a subject of discussion and communication with the Civil Service Commission for about 2 years, and they reviewed very carefully our proposal before it came up here and concurred in it.

Mr. DAVIS. Do you have any further justification for these Public Law 313 positions other than it would provide more adequate compensation for the present incumbents?

Mr. ROBERTS. We see it in two advantages and they are both important: One is that it would enable us to retain our present people who we are losing more rapidly than we would like, to other agencies and to private research institutions. Similarly, it would aid us in recruitment.

Another important—and this is very important—consideration to us is this: Without these Public Law 313 positions, it is not possible for the Department to recognize and compensate outstanding research people, commensurate with their competence and the effort they put forth, and retain them in purely research capacities and utilize their scientific knowledge in that area.

Because of the salary structures outside of Public Law 313 it is almost necessary to give them supervisory or administrative jobs in the research agencies in order to compensate them adequately as they develop and demonstrate their capacities. Public Law 313 will enable us to permit outstanding scientists to apply their efforts and their competence on research—to keep them on research projects—and not dilute the competence and the background and experience they have in research by placing them in administrative capacities. That, we think, is very important.

Dr. SHAW. Could I add another point, Mr. Chairman?

Mr. DAVIS. Yes; please do.

Dr. SHAW. Take one of our utilization research laboratories such as the one we have at New Orleans working on cotton—our Southern Utilization Research Laboratory. We have a program there at that

Laboratory of \$3,937,000 a year with 454 scientists and assistants. Currently, we are able to pay the Director of that Laboratory at the rate of GS-15, or \$12,770.

Now, I am satisfied that for a research effort of that size and that importance and complexity that you could not find at any other place in the country a person directing an effort of that sort paid only as much as we pay him.

Mr. DAVIS. How long has he been with you?

Dr. SHAW. He has been with us now as Director of that Laboratory for about—it must be 7 years.

Mr. DAVIS. Are there any questions?

Mr. WALLHAUSER. I have no questions, Mr. Chairman.

Mr. DAVIS. Mr. Murray, do you have any questions?

Mr. Rees, do you want to ask any questions?

Mr. MURRAY. I might say that on August 10 of this year Assistant Secretary Peterson sent a letter to the Speaker proposing the proposed bill providing for these 41 special positions under Public Law 313 and the Speaker referred the message and the proposed bill to our committee. I, in turn, as chairman reported it to Judge Davis' subcommittee.

Now, I am wondering whether or not you are a little ambitious in your request for 41 positions. Could you not get along with about half that many? You have only five now, and you were given those five only last year under the Federal Employee Pay Act. Of course, I do not blame you for asking for as many as you can justify, but I was thinking and wondering if you could not pare down your request?

Mr. ROBERTS. We were provided five, Mr. Murray, but the request to the Bureau of the Budget and the Civil Service Commission was for a substantial larger number than that. As a matter of fact, we had in the original request 65, and have pared that down to 41 included in the proposal that came to the committee.

We feel, in view of the size of the job we have and the importance of it, that the total of 46, including the present 5, would provide us with a minimum requirement.

Dr. SHAW. We have a total staff, Mr. Murray, of around 11,000 people engaged in research. So, this is still a very small percentage of that total staff that we are asking for.

Mr. MURRAY. If you were not given these additional 41 positions how many who are now engaged in the research field would you lose because the committee did not give you the 41 positions?

Mr. ROBERTS. That is hard to forecast, but I would say that we will continue to lose people, as our statement has indicated we have in the past, and unless there is a change in the total scientific research field from what the situation is today, certainly there will not be any diminution in the rate of loss and it may even be greater, because there is a tremendous competition for scientists today, and that competition is equally strong in agricultural and related science.

Mr. MURRAY. I fully realize that. That is all, Mr. Chairman.

Mr. WALLHAUSER. Where does the basic competition come from? You talk about the tremendous competition.

Dr. SHAW. We have a very substantial competition from private research groups and industry, and we have competition with the land grant colleges and universities and State experiment stations.

Mr. REES. Do the land grant colleges pay more salary than you do?

Mr. ROBERTS. In some instances we are not able to attract people from land grant colleges, and they are taking some of our people, Mr. Rees. Many of the land grant colleges have their salaries up to a point where they are above what we can pay in our Department.

Dr. SHAW. I can illustrate our current situation with the fact that the land grant colleges are the place from which we get most of the graduates that we use in our research, but during the last year the experiment stations of the land grant colleges hired more people from us than we did from them.

Mr. REES. I thought you did all of your research with or through the land grant colleges.

Dr. SHAW. There is about 50 percent of it that is located at land grant colleges, or their substations over the States, and we have around another 50 percent that is done at Federal laboratories such as the utilization laboratories, in Peoria, New Orleans, and Philadelphia.

Mr. REES. But there is some coordination between these two groups in this work; is there not?

Dr. SHAW. Yes, sir. It is a program that we try to keep as much a single program as possible between the land-grant colleges and the Department. The fact of the matter is our authority for reviewing the work of the land-grant colleges extends only to the Federal grant funds to the colleges, but in our working with them over the past 75 years they have come to a point where they are submitting more than 95 percent of all of their projects that they finance under State funds to us for review to see that it is coordinated with the total of all other States and the Department. We have very fine relationships. We do not have too much duplication of effort. We feel that we have gotten it pretty well in hand and we are meeting on it constantly. We have an opportunity to review all the projects that are authorized either in the States or in the Department.

Mr. ROBERTS. We have a central project file, Mr. Rees, that is under the direction of Dr. Shaw, where we keep summaries of all of the work being done not only in the Department but at the land-grant colleges. It is being used daily to assure that there is no duplication or that work is not begun in a field in which work is being done either at one of the State universities or at one of our laboratories.

Mr. DAVIS. Do you have any information as to how many of the people you lose go to private industry who have cost-plus contracts for the Government?

Dr. SHAW. There would not be many that go into work on contracts that are let by the Department of Agriculture. Our contract program is relatively small.

Mr. DAVIS. I was not restricting it to that. I mean other private industry that has cost-plus contracts of various kinds with the Government.

Dr. SHAW. I am not aware of any serious problem in that area. The people that we are losing are going to industries that, so far as I know, do not have these cost-plus contracts.

Mr. DAVIS. Are there any further questions?

Mr. REES. I want to say I appreciate the information that you have disclosed this morning. However, it is interesting to observe that

you are now working on problems of the utilization of the farm surplus.

Dr. SHAW. Yes, sir.

Mr. REES. You do that on the one hand, but we are also increasing our efforts to try to grow more crops on less land and so on. So, I do not mean to infer that you work at cross purposes, but the whole thing is rather interesting.

Dr. SHAW. Certainly, as Mr. Roberts indicated and as you are now indicating, our urgent problem at the moment is to find markets and expanded uses for these agricultural products.

Mr. REES. That is right.

Dr. SHAW. But in doing it we have to carry along with it production research at the same time.

Mr. REES. I expect you to do that, and I am not criticizing you for it. I think you should.

Dr. SHAW. I would like to give you one specific example of the way this works. We found in our laboratory at Peoria, Ill., that the amylose fraction of starch in corn had very fine film characteristics and looked like it would be a valuable industrial product. But in corn it was only there to the extent of about 25 percent of the total starch and our scientists figured it could not be used economically.

So then we took the problem to our plant breeders working in the production area and said: "Can you increase the content of this amylose fraction in the starch?"

Well, they have currently gotten it up to 80 percent, and they think they will get it up to 100 percent. At 80 percent it is economical. So, the cooperation of the folks working in the breeding end with the folks working on the industrial end make a total solution. There are many examples of that kind.

Mr. DAVIS. Thank you very much, Mr. Roberts and Dr. Shaw and Mr. Betts.

Mr. ROBERTS. Thank you, Mr. Chairman.

Mr. DAVIS. Next, from the Department of Health, Education, and Welfare, we have the Honorable Elliott Richardson, Assistant Secretary, accompanied by Mr. James O'Brien, Director of Personnel Management.

Mr. Richardson, we are glad to have you back with us again.

Mr. RICHARDSON. Thank you, Mr. Chairman.

Mr. DAVIS. We shall be pleased to hear your statement.

STATEMENT OF HON. ELLIOTT L. RICHARDSON, ASSISTANT SECRETARY, DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE; ACCOMPANIED BY JAMES C. O'BRIEN, DIRECTOR OF PERSONNEL, AND WILLIAM DIRECTOR, CLASSIFICATION OFFICER OF THE DIVISION OF PERSONNEL

Mr. RICHARDSON. Mr. Chairman and members of the committee, Mr. James C. O'Brien, to whom you have already referred, our Director of Personnel, is on my right, and I have asked to join me on my left Mr. William Director, who is classification officer of the Division of Personnel, in case there may be questions from the committee which he may be able to answer better than I could.

Mr. DAVIS. Very well.

Mr. RICHARDSON. I appreciate very much, Mr. Chairman and members of the committee, this opportunity to describe to the committee some of the salary needs of the Department of Health, Education, and Welfare which the Department feels are the most urgent at the present time.

With respect to S. 1845, which this committee has under consideration, we respectfully request that it be amended to create and include at the \$19,000 salary level the position of Administrative Assistant Secretary in the Department of Health, Education, and Welfare.

The position of Director of Administration in the Department of Health, Education, and Welfare is similar in all substantial respects to the career Administrative Assistant Secretary positions in several other Departments named in S. 1845 for which salary increases from GS-18, \$17,500 per annum, to \$19,000, are provided.

Our Director of Administration does presently have the classification of GS-18.

This Department, though the newest of the Departments in the executive branch, is one of the largest and most complex from the management point of view. At present there are approximately 60,000 employees in the Department administering an extremely wide range of activities which differ considerably in their size, internal organization structure, operating methods, and other management characteristics.

New and complex additional functions have been added to the Department during the last 7 years. The growth in the Department of Health, Education, and Welfare, has involved unusually difficult administrative problems with respect to personnel, financial management, organization, space, and other problems associated with innovation and expansion.

Since the Department is responsible for major programs involving human needs for a constantly expanding national population, it undoubtedly will continue to grow. I might interject here, Mr. Chairman, that one indication of the complexity of the Department's management responsibilities is indicated by the very large number of line items in our budget. I believe that we have a larger total number of line items in our budget than any other department in the Government with the possible exception of the Department of Defense.

Mr. DAVIS. Just what do you mean by that term?

Mr. RICHARDSON. I mean a separate budgeted item for which there is an identified purpose in the appropriations bills acted on by the Congress and for which there is a separate justification by the Department in its presentation of its budget to the Appropriation Committees.

The Director of Administration, the top career man and administrative official of this Department, has been delegated responsibility for performance of practically all functions of the Secretary in the field of administrative and financial management. This position is now classified as GS-18.

Mr. DAVIS. Who fills that position at the present time?

Mr. RICHARDSON. Mr. Rufus E. Miles, Jr. I think this committee has heard him in company with me on other matters. No basic

change in his present functions and responsibilities would be involved in the proposal.

Approval of this recommendation by changing the title of the Director of Administration to Administrative Assistant Secretary and authorizing the \$19,000 pay rate would place this position on a par with the other Administrative Assistant Secretary positions named in S. 1845.

The next need of the Department in the higher level pay area relates to the salaries of three of the officials responsible for important segments of the Department. These are the Commissioner of Social Security, Commissioner of Education, and Director of the Office of Vocational Rehabilitation. It is requested that the salaries of the Commissioner of Social Security and the Commissioner of Education be established at the \$20,000 level, and that of the Director of the Office of Vocational Rehabilitation at \$19,000. The positions of Commissioner of Education and the Commissioner of Social Security are comparable in responsibility with the most responsible positions now established at the \$20,000 level, including the Commissioner of Food and Drugs, which was recently established by the Congress at this level.

Similarly, the duties of the Director of the Office of Vocational Rehabilitation are comparable to other positions already established at the \$19,000 level.

The importance of these positions is exemplified by the growth in size and complexity of the organizations for which these officials are responsible. In the field of social security, frequent revisions and additions to the programs administered have been made by the Congress. The program of the Bureau of Old-Age and Survivors Insurance has now achieved almost complete coverage of the Nation's population. This Bureau, which is essentially an insurance operation, is the largest such operation in the world. Last year it paid out \$7.8 billion and maintained active wage accounts for more than 75 million people.

In addition to that Bureau, the Commissioner of Social Security is responsible for the Bureau of Public Assistance, for which there is appropriated the largest part of the Department's budget, about two-thirds of the total, somewhat over \$2 billion, the Children's Bureau, and the Bureau of Federal Credit Unions, all of which are complex and important operations.

The responsibilities of the Commissioner of Education have similarly increased during the last 2 years. Our national position in the field of education is a critical one. This was recognized by the passage by the last Congress of the National Defense Education Act. Sound national leadership in the field of education is of key importance in developing and maintaining the strength of the Nation in its trained human resources. Such strength is necessary if we are to continue to maintain our position in scientific research and related areas.

In this connection, Mr. Chairman, I might simply point out that administrative positions in the field of education, of anything like comparable responsibility outside the Federal Government, do normally pay substantially more than is now being paid the Commissioner of Education, who has the salary of a GS-18 position.

I would like in this connection, Mr. Chairman, to submit for the record memorandums which go into somewhat greater detail in comparing the responsibilities of the Commissioner of Social Security and the Commissioner of Education with other positions both in and outside Government.

Mr. DAVIS. Very well. They will be admitted at this point and we will give them consideration.

(The memorandums above referred to follow:)

JUSTIFICATION FOR STATUTORY SALARY FOR THE COMMISSIONER OF EDUCATION

The extreme importance of education to our Nation in these critical times is becoming increasingly evident. The President in his budget message pointed out both the importance of education and scientists and the national need for "development through a strong general educational system of a vast number of aptitudes and skills." Sound national educational policies and effective educational leadership at the national level were never more essential than at present.

The Commissioner of Education carries the principal responsibility for developing such policies and providing such leadership. He administers a broad program of research, advisory services designed to improve educational practice, and grants-in-aid. Assuming the President's recommendations contained in his special message on education are adopted, the Commissioner will be responsible for the administration of a large and important new program, including better and earlier testing of pupil aptitudes, improved counseling and guidance services to encourage able students to stay in school and prepare for college, improved teaching of science and mathematics, and scholarships for 10,000 college students and 1,000 graduate students. The success of this enormously important pioneering effort rests largely on the Commissioner of Education.

Yet, at the present salary level, it has been extremely difficult to recruit or retain a Commissioner of Education. There have been four incumbents of this office in the past 4 years. The immediate predecessor of the present Commissioner left the office to accept a position paying \$30,000 a year. It took over 5 months to fill the vacancy. This is understandable when we note the salaries paid to topflight educators. Certainly, to direct a national program, we need qualifications which compare, at least, to those of presidents of State universities and land-grant colleges and superintendents of large State and city school systems. Yet we find that all of the following are paid \$20,000 or more:

Upper 12½ percent of presidents of State universities and land-grant colleges (\$22,562 or more).

Commissioner, New York State Department of Education (\$23,000).

Deputy commissioner, New York State Department of Education (\$20,000).

Superintendent of schools, Maryland Department of Education (\$20,000).

Commissioner, New Jersey Department of Education (\$20,000).

Commissioner, Connecticut Department of Education (\$20,000).

Upper 12½ percent of superintendents of schools in cities over 500,000 (\$30,265 or more).

Upper 12½ percent of superintendents of schools in cities over 200,000 (\$23,187 or more).

The need for a more nearly competitive salary for this office, in the light of its growing importance in the national scene, is emphasized by the fact that educators in colleges and city school systems (the principal source of recruitment for the Office of Commissioner of Education) often have large equities in their own pension funds which are substantially diminished by discontinuance, are not transferable, and may not always be balanced by the Government retirement program upon which a Commissioner enters late in his career.

Not only does the Nation have the right to leadership in the field of education from the best talent in this field, but also it owes to the person who accepts this enormous responsibility a salary that does not require extreme sacrifice. He should be paid \$20,000 at the very minimum.

JUSTIFICATION FOR STATUTORY SALARY FOR THE COMMISSIONER OF SOCIAL SECURITY

The Commissioner of Social Security administers programs which involve annual expenditures of about \$10 billion, a greater amount than is expended by any Department or agency of the Government except the Department of Defense. These programs are complex as well as large. The Commissioner:

1. Directs the largest insurance program in the Nation—Federal old-age, survivors, and disability insurance, covering about 75 million persons—and certifies to the Treasury amounts to be paid to entitled persons from the OASI and disability insurance trust funds. (Expenditures from these funds totaled nearly \$7 billion in fiscal year 1957, and are estimated to exceed \$8 billion in 1958 and in 1959.) In the administration of the disability program, the Commissioner enters into agreements with State agencies to make determinations of disability under the Social Security Act and is responsible for reviewing these determinations and State agency disability operations. The Commissioner, in the exercise of his total responsibility for the OASDI program, has jurisdiction over more than 550 social security offices throughout the United States, Hawaii, Alaska, Puerto Rico, and the Virgin Islands. He is further directly responsible for the more than 21,000 employees who administer the OASDI program.

2. Administers Federal-State programs of old-age assistance, aid to dependent children, aid to the blind, and aid to the permanently and totally disabled, involving approval of the State plans, review of State operations, and an annual expenditure of over a billion and a half dollars of Federal funds through State agencies.

3. Administers grants to States for maternal and child health services, services for crippled children, and child-welfare services, involving annual expenditures of about \$40 million of Federal funds through State agencies.

4. Is responsible for studies and recommendations to the Secretary on the most effective methods of providing economic security through social insurance, public assistance and programs for children.

5. Directs programs of chartering, examining, and supervising Federal credit unions. There are currently approximately 8,800 such credit unions with assets of \$1.8 billion.

That the proposed salary level of \$20,000 is a modest request in relation to the level of responsibility is illustrated by the fact that the proposed compensation would be less than that provided in the Executive Pay Act for the Chairman of the Railroad Retirement Board or equal to that provided for each of the other two members of that Board, which administers a program similar to the old-age and survivors insurance program for only one industry, without the additional responsibilities the Commissioner of Social Security carries.

Without implying that Federal executive salaries should match those in commercial employment, it should also be noted that private insurance company executives, functioning in only one of the above fields, without the complex responsibilities that characterize the Office of Commissioner of Social Security, are compensated at rates far above that proposed for this Commissioner. The Prudential Life Insurance Co. pays 10 or more executive salaries from \$50,000 up to \$250,000 a year. The managers of the local Prudential offices in Los Angeles and Philadelphia receive annual salaries of \$56,000 and \$53,000 respectively.

The heads of the department of insurance and the department of welfare in New York and New Jersey both receive more than the amount the Federal Government pays to its executive responsible for a national program encompassing a large percentage of the programs covered by two separate departments in each of these States.

Mr. RICHARDSON. The Office of Vocational Rehabilitation, for whose Director we ask a salary of \$19,000 per annum, has also increased in size and capacity to a marked extent during the last several years. The Director is responsible for administering a broad program which represents a unique balance of the health, education, and welfare processes and which is the chief instrumentality in our national effort to combat dependency resulting from physical and mental disability among our people.

Where earlier legislation provided only for a single and comparatively small grant-in-aid program, the Vocational Rehabilitation Act

of 1954 has sharply expanded the basic program; introduced separate programs in research, training of professional personnel, extension and improvement of State agency operations, and other features which have greatly expanded the size and complexity of this organization.

Mr. DAVIS. That is the usual course of a program, is it not; it starts off small and grows?

Mr. RICHARDSON. Yes, I think it is characteristic of many, yet I think it would be hard to find a clearer justification for expansion than in this case where we are helping people to become productive members of society and return to the ranks of wage earners those who have been incapacitated.

Mr. DAVIS. I think it is a worthy program, all right.

Mr. RICHARDSON. The Director of this program must maintain fiscal, program, and other operating relationships with 90 State vocational rehabilitation agencies in the conduct of this Federal-State program, through which nearly 200,000 disabled people receive services each year. In addition, the Office administers a national program of scientific and developmental research in the field of rehabilitation, as well as a national training program to provide more professional workers in rehabilitation.

The Department is especially grateful, in addition to the opportunity to testify in respect to the specific positions which I have already spoken about, for this opportunity to relate to the committee its need for positions in grades GS-16, 17, and 18, in addition to those already assigned by the Civil Service Commission. The current allocation of 56 such positions to a Department of the size and complexity of ours has proved inadequate to meet what we feel are very real needs for positions in these grades. A recent survey indicated that, in addition to the number of supergrade positions already authorized for the Department, there are 78 additional positions which could properly be considered for supergrade allocation. One of the operating agencies of the Department alone, the Social Security Administration, has expressed a very real need for a net increase of 20 such positions.

It is our understanding, however, that in coming before this committee today, we are asked to state on a departmentwide basis those supergrade needs which we feel are most urgently pressing and which will help us meet immediate and urgent problems involved in the retention and recruitment of able people. Stated in these minimum terms, we should like to request that the committee consider allocating to the Department 4 additional grade GS-18's, 4 additional grade GS-17's, and 25 additional GS-16's. With conversions involved in transfers within the 3 supergrades, this would mean a net increase of 22 supergrade positions.

While the allocation of this additional number of positions in GS-16, 17, and 18 would not meet all of the supergrade needs reflected in our recent survey, it would certainly provide relief in a number of our more urgent situations and the Department would be very grateful if the committee could see fit to grant this additional allocation.

I would like further, Mr. Chairman, to add a word with respect to positions of the Public Law 313 type. I had not realized originally that this would be a matter also under consideration by the subcommittee this morning.

We were authorized by legislation last year five such positions for the Department as a whole. These positions were in addition to a substantial number already specified by legislation for the National Institutes of Health and a few additional such positions for the Public Health Service as a whole. At this time we would like to urge the committee to allow us to have an additional 10 positions to those 5 now allocated to the Department. These we would contemplate using chiefly in the Food and Drug Administration in its research responsibilities in the determination of methods of evaluating the effects on human beings of chemical additives in food, evaluation of long-term effects of colors used in food, the development of methods of analysis of what are the substances consumed through foods and drugs and so forth, which are becoming increasingly demanding in importance.

Mr. DAVIS. Where did you place the five?

Mr. RICHARDSON. We put all five of those in the Food and Drug Administration.

Mr. DAVIS. In similar positions to those you have referred to?

Mr. RICHARDSON. Yes. We took the most urgent needs of the Food and Drug Administration and allocated those five. That still leaves us a considerable additional number. For example, the position of Deputy Director of the Bureau of Medicine is one that is now vacant. This is obviously a key position in the whole relationship with the pharmaceutical industry in the evaluation of new drugs and the practice of medicine.

Mr. DAVIS. You have an allocation for that position, do you, which is vacant?

Mr. RICHARDSON. Yes. We recently lost the Director of the Bureau of Medicine and promoted the Deputy Director to that position and have since been trying to fill the position of Deputy Director.

Another example is the Director of the Toxicity Branch of the Division of Pharmacology. The importance of that position is highlighted by pending legislation dealing with more effective labeling of hazardous household items generally. While this legislation would still further increase the responsibilities of the branch, it already carries basic responsibility for the evaluation of toxic effects of substances used by everyone in the United States in their households in medication and pesticide chemicals and so on.

Mr. DAVIS. You have given us some of the reasons for changing the salary scale of these four executive positions. Do you have anything further to say about that?

Mr. RICHARDSON. The memorandum I asked to have inserted in the record I think cover that pretty well.

As far as the Director of Administration is concerned, whose title we would like to have changed and salary increased, I cannot add very much to what I have said. The position is, I think, thoroughly recognized within the executive branch as being identical in general scope of responsibility with the positions called the Administrative Assistant Secretaries in other departments.

Mr. DAVIS. That is one of the hangovers, I guess, in making your Department a Cabinet Office.

Mr. RICHARDSON. Yes. It is one of the things that was not taken care of in the basic legislation giving it Cabinet status.

Mr. DAVIS. Have you cleared with the Bureau of the Budget these matters you are discussing with us this morning?

Mr. RICHARDSON. Yes, we have, Mr. Chairman, with the exception of the matter of the precise number of additional supergrades. We were already in the process of discussing with the Bureau and with the Civil Service Commission the survey which led us to believe we had a justification for as many as 78 such positions, and I think we would be able to justify a very substantial proportion of those, in any case a very considerably larger number than the additional net increase of 22 supergrade positions that we are asking for this morning.

Mr. DAVIS. Have you discussed these changes with the Civil Service Commission?

Mr. RICHARDSON. We have discussed the change with respect to the Administrative Secretary, the Director of Administration. We are discussing the supergrade positions but in the context of a larger number than the number we are asking for this morning.

Mr. DAVIS. These positions you are asking for, would you fill them with new people or would present incumbents of GS-14 and 15 positions be promoted?

Mr. RICHARDSON. It would be a combination of both, Mr. Chairman. In most instances numerically we would fill them with people presently having a lower clarification. We would justify this on the basis that the responsibilities of the job, by comparison with other positions presently classified in the supergrade category, have grown to the point that reclassification of these jobs to a higher level is justified.

Mr. DAVIS. I believe you stated you have now 56 of these supergrade positions?

Mr. RICHARDSON. Yes.

Mr. DAVIS. And you want 78 additional positions?

Mr. RICHARDSON. The 78 is a number based on——

Mr. DAVIS. Is that the total you are asking for?

Mr. RICHARDSON. Yes. It is coincidental that we have two 78 numbers here. We made a survey that showed we had a potential need for an additional number of 78. We are asking this morning for an additional number of 22 which, added to the number of 56 we already have, also comes out at 78; but the additional number presently being requested is 22.

Mr. DAVIS. Have you cleared that with the Civil Service Commission?

Mr. RICHARDSON. Not that precise number; no.

Mr. DAVIS. What have you cleared with them?

Mr. RICHARDSON. There is no question as between the Civil Service Commission and ourselves that we need an additional number. When informed of this hearing this morning we were in the process of trying to establish with the Civil Service Commission a justification for as many of the additional 78 as we could. I am sure we would have arrived at a number perhaps less than 78 but substantially more than 22 in the course of our further discussions.

Mr. DAVIS. That is just a supposition? You have not actually had this discussion and understanding and clearance?

Mr. RICHARDSON. Not of this specific number of 22. However, I think we can proceed expeditiously to do this and could submit to the

committee within the next day or two a list of 22 positions which have been cleared with the Civil Service Commission.

Mr. DAVIS. Would those be used to promote present jobholders?

Mr. RICHARDSON. For the most part they would be. In some cases they would be used to better enable us to recruit outside the Department. But, as I indicated, for the most part they represent positions which have increased in responsibility. One is Assistant Commissioner and Director of the Laws and Legislation Branch of the Office of Education. Apart from the increased responsibility of the Office of Education under recent legislation, the number of bills on which we are asked to report and testify on the Hill in the field of education continually grows as congressional interest in it grows, so we feel this is a position that has a degree of additional responsibility that justifies the higher grade. And we could submit comparable justifications in each of the other areas.

For example, the position of Deputy Director of Old-Age and Survivors Insurance is a top position in the Bureau of Old-Age and Survivors Insurance and we would like to make it GS-18. The man who occupies that position came with us in the thirties and has been with the Bureau since its founding. He has been offered by insurance companies and others outside the Government positions paying up to \$50,000 for doing less responsible jobs than he is doing now. We would like to move him to GS-18. That is another illustration of a man who is in Federal service but whose responsibilities have grown with the growth of the program of which he is a part.

Mr. DAVIS. Do you have a great turnover in positions in grade 13 and above?

Mr. RICHARDSON. I would like to ask Mr. O'Brien, our Director of Personnel, to answer that.

Mr. O'BRIEN. Our turnover figures, like many departments, are largely in the lower grades. In grade 13 and above I cannot recall the exact figures but the higher the grade the less the turnover is. It is not a heavy turnover. I do not have the turnover figure with me, but I should be glad to supply it for the record.

(The information referred to follows:)

Annual rate of voluntary separations from Classification Act positions,¹ by grade, December 1956-May 1957

Operating Agency	Total	Grade			
		GS-1-4	GS-5-10	GS-11-14	GS-15 up
Department of Health, Education, and Welfare	13.8	19.1	9.5	4.2	2.8
Office of the Secretary	12.7	20.0	10.3	4.9	(?)
Food and Drug Administration	13.7	23.7	15.4	4.4	(?)
Office of Education	9.7	24.8	6.8	2.4	(?)
Office of Vocational Rehabilitation	10.0	31.3	4.5	3.4	(?)
Public Health Service	14.8	18.3	13.4	5.6	(?)
St. Elizabeths Hospital	11.7	10.4	15.5	15.3	(?)
Social Security Administration	13.5	20.3	6.2	2.1	(?)

¹ Includes small number of positions in highest grade group for which pay is set under Executive Pay Act of sec. 208(g) of the Public Health Service Act.

² Except for Public Health Service, with 103 employees in this group, total number of employees in each operating agency too small for computation of rates.

Mr. DAVIS. I gather from what you have just said that these additional high level positions would not have much effect on the turnover in positions in grade 13 and above?

Mr. O'BRIEN. It is hard to define that effect, Mr. Chairman. If the avenue of promotion is higher, then that is one of the elements that helps retain people in the grades 13 and 14 levels. It gives them a higher objective.

Mr. DAVIS. What is the total employment now in the Department of Health, Education, and Welfare?

Mr. O'BRIEN. Approximately 60,000, sir.

Mr. DAVIS. And what was it during the previous fiscal year?

Mr. O'BRIEN. It has been growing year by year. In the last 7 years it has grown from 36,000. In the last fiscal year it ranged in the mid-50,000's.

Mr. RICHARDSON. It has grown at a fairly even rate during the years. Most of the growth in the last 3 years has been in the Social Security Administration as more people have become covered by the program and the proportion of people receiving benefits has grown. I recall Secretary Folsom presenting the check to the ten-millionth covered person just a little over a year ago. The number is now getting close to 13 million, I think, and most of the addition in the Department's employment in the last year has been in adding people to process claims. There have been comparatively minor increases in other agencies of the Department in order to administer new legislation.

Mr. DAVIS. What are you doing about complying with the Presidential directive to reduce your personnel by 2 percent?

Mr. RICHARDSON. We have applied that consistently throughout the Department, but it is a reduction in the budgeted number of personnel as distinguished from a 2 percent reduction over a number at some prior date. In other words, we have not filled positions as fast as we were authorized to do or would have been enabled to do by appropriations or under the justifications of numbers of positions submitted to the Appropriations Committees.

Mr. DAVIS. In doing that calculation of what you refer to as budgeted positions, do you mean you have cut down the number of positions which the Budget Bureau authorized you to have for which appropriations were made?

Mr. RICHARDSON. Yes, by this percentage. One of the results of this very detailed budget I referred to earlier with a large number of line items—that is, a large number of separate requests—is that we submit to the Appropriations Committees detailed justifications showing exactly the number of personnel that we propose to add wherever there is an addition.

Mr. DAVIS. And that is approved by the Budget Bureau and an appropriation is made and then you cut that?

Mr. RICHARDSON. It is approved by the Budget Bureau in the first place and then submitted to the Appropriations Committees in the process of testimony in support of our appropriation request.

Mr. DAVIS. It does not result in simply some bookwork whereby you might increase the number asked for and then cut it down?

Mr. RICHARDSON. No. In any case, the directive with respect to the 2 percent absorption came after the justifications had been prepared for specified numbers of personnel.

Mr. DAVIS. And approved by the Budget Bureau?

Mr. RICHARDSON. Yes.

Mr. DAVIS. Any questions? Mr. Wallhauser?

Mr. WALLHAUSER. No questions.

Mr. DAVIS. Mr. Murray?

Mr. MURRAY. I have no questions, but Secretary Flemming of the Department of Health, Education, and Welfare called me this morning to indicate his intense interest in support of this request.

Mr. DAVIS. He called me also.

Mr. REES. Mr. Chairman, he called the minority on that also.

Mr. DAVIS. He has been pretty busy.

Mr. RICHARDSON. He does have a keen interest in this.

Mr. REES. He sounded as if he was quite keenly interested.

Mr. RICHARDSON. He is, having been a member of the Civil Service Commission himself for 10 years and following that having had a good deal of concern in manpower problems generally, and I think he has been impressed by the scope of the Department's responsibilities and by the dedication of its personnel.

Mr. REES. You are here this morning asking, as I understand it, for about 32 positions, including 10 research positions?

Mr. RICHARDSON. Yes; including the scientific Public Law 313 jobs.

Mr. REES. Are you asking this committee to amend the Senate bill?

Mr. RICHARDSON. Yes, Mr. Rees, that is what we would ask.

Mr. REES. Did you appear before the Senate committee and ask this?

Mr. RICHARDSON. No. We missed somehow the existence of S. 1845 or would have asked there to have it amended to include the Director of Administration in our Department. The matter of amending the bill further or any other appropriate legislation to include these other 32 positions is a matter that we only learned in recent days would be open for consideration by this committee. We did already have pending with the Budget Bureau a bill which would have clarified a number of administrative matters in the Department and also included these same requests, but on a somewhat larger scale, in terms of positions. So we had this in the works when this opportunity to testify came.

Mr. REES. You had the proposal in the works but did not present it to the Senate committee?

Mr. RICHARDSON. That is right.

Mr. REES. This is not in criticism, but are you not a little late in proposing this legislation?

Mr. RICHARDSON. Well, we are late in the sense—let me put it this way: We are negotiating, and had been for sometime, the question whether we should be permitted to submit legislation directed specifically to our Department.

Mr. REES. Permitted by whom?

Mr. RICHARDSON. By the clearance process generally, the Budget Bureau and the Civil Service Commission. So although we had been informed that we could seek by amendment to appropriate legislation consideration of these positions, we had not taken the opportunity to

do that because we were hoping to be able to obtain clearance on a broader departmental request.

Mr. REES. You mean one that would include more personnel?

Mr. RICHARDSON. One that would have included a larger number of scientific positions and also a larger number of GS-16, -17, and -18 positions.

Mr. REES. I am not criticizing your request as much as I am anxious to know why you came in so late with your proposal. It seems late to me.

Mr. RICHARDSON. I think it is, Mr. Rees, and I am sorry we were not in a position to take advantage of the opportunity earlier to seek these positions. I can only hope that while late we are not too late.

Mr. WALLHAUSER. Mr. Chairman, may I say something off the record?

Mr. DAVIS. Yes.

(Statement made by Mr. Wallhauser off the record.)

Mr. DAVIS. Unless you have something further to add, Mr. Richardson, we will excuse you and we thank you and your associates very much.

Mr. RICHARDSON. We thank you, Mr. Chairman and members of the committee, very much for this opportunity to appear.

Mr. DAVIS. We developed the witness list for this morning in the alphabetical order of their departments. Commissioner Watson of the Patent Office had made plans to leave tomorrow and I doubt that we will finish today. We will have to have another hearing tomorrow morning, so if Mr. Parsons and Mr. Latham will not object, we will at this time hear Commissioner Watson and Mr. Whitmore of the Patent Office.

Mr. Watson, we are pleased to have you appear before the committee and will be glad to have your statement.

STATEMENT OF HON. ROBERT C. WATSON, COMMISSIONER OF PATENTS, PATENT OFFICE, COMMERCE DEPARTMENT; ACCOMPANIED BY HAROLD B. WHITMORE, PAST PRESIDENT, PATENT OFFICE SOCIETY

Mr. WATSON. Mr. Chairman, I welcome the opportunity to appear before this committee. I have a prepared statement.

Mr. DAVIS. If you would like you can file that for the record and just highlight it here.

Mr. WATSON. All right.

(The prepared statement referred to follows:)

PREPARED STATEMENT OF HON. ROBERT C. WATSON, COMMISSIONER OF PATENTS

Mr. Chairman and members of the subcommittee, one of the purposes of S. 1845 (H.R. 8479) is to provide for the establishment of basic compensation for the examiners in chief (and designated examiners in chief) of the Patent Office.

The Patent statutes provide that, whenever an applicant is denied a patent, he may appeal from the decision of the examiner to a Board of Appeals (35 U.S.C. 7).

The Board of Appeals comprises the Commissioner of Patents, the Assistant Commissioners and the examiners in chief, all of whom are appointed by the President by and with the advice and consent of the Senate (35 U.S.C. 3). Each appeal must be heard by not less than three members of the Board of Appeals. Normally the pressure of other duties prevents the Commissioner and Assistant

Commissioners from participating in and deciding appeals so that the examiners in chief are relied upon to perform the functions of the Board of Appeals.

The duties of the members of the Board of Appeals are difficult and exacting and its members are chosen with great care. The statutes require the examiners in chief to be persons of competent legal and scientific ability and these abilities are essential since the Board hears and decides appeals involving the patentability of inventions in the highly technical fields of mechanical engineering, including all phases of aviation, electrical engineering, including all fields of electronics, civil engineering, chemistry, physics, including atomic physics, etc. Each of the present examiners in chief has either an engineering or a scientific degree and each is a member of the bar or has a law degree. Each has had at least 25 years experience in the patent examining operation conducted by the Patent Office.

The decisions of the Board of Appeals are final in the Patent Office but are subject to court review. Thus appeals from the decisions of the Board of Appeals lie to the Court of Customs and Patent Appeals, or review may be sought by civil action against the Commissioner of Patents in the District Court of the United States for the District of Columbia.

However, the Board's decisions are very highly regarded by the patent profession and court reviews of less than 9 percent of its decisions are sought. Notwithstanding the very heavy workload of the Board of Appeals, its decisions are affirmed by the courts in approximately 87 percent of the cases reviewed by the courts.

The salaries of the examiners in chief are presently fixed in accordance with the provisions of the Classification Act of 1949 and they are now in GS-15 with top-of-grade salaries of \$13,970 each. The grades of other positions in the Patent Office in which the incumbents are involved in patent examination have improved in recent years, and in some cases exceed that of, the examiners in chief, the grade of the examiners in chief having remained unchanged.

In the official request for this legislation to correct the present inequity, a table listing some of the top-level positions in the Patent Office in the order of relative importance, was submitted to the Congress, a portion of this table being as follows:

Commissioner of Patents	\$20, 000
First Assistant Commissioner	17, 500
Examiners in chief	13, 970
Solicitor	15, 150
Director, Patent Research	15, 615

The proposed legislation in S. 1845 (H.R. 8479) gives the Secretary of Commerce authority to remedy the present inequity by authorizing him to fix the rates of basic compensation of the examiners in chief (and designated examiners in chief) at rates not in excess of the maximum provided for positions in grade GS-17 of the general schedule under the Classification Act of 1949, as amended, which is now \$16,335.

Both the Department of Commerce and the Bureau of the Budget have approved and recommended that legislation concerning the compensation of the examiners in chief be enacted. The Civil Service Commission in an official letter dated July 10, 1959, to the Department of Commerce, a copy of which was sent to Mr. Johnson, counsel for your committee, stated that, in the opinion of the Commission, the positions of the examiners in chief in the Patent Office would justify a higher grade than GS-15, but that there was very little likelihood they could be placed in a higher grade under the Classification Act due to the stringent space limitation imposed upon them by the act.

In my opinion the relief provided by this legislation is urgently needed to correct an unfortunate condition which exists in the salary structure of the Patent Office.

Mr. WATSON. We have in the Patent Office, as you know, a final tribunal known as the Board of Appeals. From the final decisions of 67 examining divisions the dissatisfied applicant for patent can file an appeal to that Board and receive its decision. From the decision of the Board if he is dissatisfied he further goes to one of two of the local courts, namely, the Court of Customs and Patent Appeals, comprising five judges who receive those appeals from the Patent Office in both patent and trademark matters, or to the District Court of the United States for the District of Columbia.

Mr. DAVIS. What percentage of appeals do you have?

Mr. WATSON. I think about 9 percent of the final decisions of the Board of Appeals are appealed. That figure appears in my prepared statement.

Mr. DAVIS. How many appeals do you have from the first decision?

Mr. WATSON. We have pending before the Board of Appeals some 9,500 appeals.

Mr. DAVIS. Out of how many applicants?

Mr. WATSON. We have pending now in the Patent Office nearly 200,000 applications.

Mr. DAVIS. And 9,500 are appeals from approximately 200,000 decisions?

Mr. WATSON. We have about 200,000 applications pending final disposal. The 9,500 appeals relate to approximately 45,000 applications which had been finally rejected at the first decision stage of prosecution during fiscal year 1959. We are about 2 years behind in the decisions of the Board so we have a very considerable bottleneck which we are attempting to correct.

Mr. DAVIS. Does your Board of Appeals give real attention to these appeals and give them a careful hearing?

Mr. WATSON. It very definitely does. That is their sole purpose, and I might say the good reputation of the Patent Office depends on the skill and judicial attitude of the members of the Board of Appeals.

Mr. DAVIS. They do not just run over them?

Mr. WATSON. They do not. The Board of Appeals is in effect an administrative court. They are both lawyers and scientists and consider each case on its merits. Title 35, United States Code, requires that they be persons of competent legal knowledge and scientific ability. The applicant may, if he chooses, appear in person and argue his case. So we have as our final tribunal this group of distinguished men who are both scientists and lawyers. The present Board are the successors of a board first established in 1861 with a membership of three. In 1927 it was increased to six; in 1930 to nine; in 1946, by reason of the increasing number of appeals the Congress passed a law which enabled the Commissioner for a period of 3 years to designate "any patent examiner of the primary examiner grade or higher, having the requisite ability to serve as examiner-in-chief for periods not exceeding 6 months each. An examiner so designated shall be qualified to act as a member of the Board of Appeals. Not more than one such primary examiner shall be a member of the Board of Appeals hearing an appeal." This temporary authorization was reenacted without the 3-year time limitation as Public Law 452 on March 4, 1950. Presently there are 10 primary examiners designated to serve as examiners in chief.

In 1958, during the last session of Congress, the number of permanent members of the Board was increased to not more than 15 by Public Law 85-933. Presently 13 have been appointed or nominated to vacancies but they will all be filled. I had hoped it would not be necessary to fill all of the positions authorized but the number of appeals have increased at such a rate that it is now necessary to fill the remaining vacancies.

Mr. DAVIS. What are you asking for now?

Mr. WATSON. We are asking for the passage of the bill which will enable us to reimburse the Board at a higher level not to exceed the top salary level grade GS-17. Presently they are in grade GS-15. That means there will be a possibility, if this bill becomes law, to raise them from \$13,970 to \$16,335.

Mr. DAVIS. How many positions?

Mr. WATSON. Not more than the 15 regular members and not more than about 12 of the designated members.

Mr. DAVIS. That is sufficient to carry on the work?

Mr. WATSON. Yes, it will be, we hope, although with the increased workload of the Patent Office in the examining divisions there is an increasing number of appeals. We are trying to stem that at the source by all manner and means but how we will be in another year is problematic. But I do think that with the law giving us 15 members and the right to designate primaries to assist, we will be able to handle the situation.

Mr. DAVIS. What are the duties of an examiner in chief?

Mr. WATSON. He is a member of the Board of Appeals. The 15 examiners in chief constitute the Board of Appeals together.

We have 13 regular members with the right to appoint two more. That will make a 15 total. They are Presidential appointees.

Mr. DAVIS. In hearing those appeals do they sit as a group or individually?

Mr. WATSON. As panels of three which hears each appeal from a final rejection of a primary examiner.

Mr. DAVIS. Have you increased the number in the last 5 years?

Mr. WATSON. Yes; we have increased them from 9 to 13 just this year.

Mr. DAVIS. Have you gone before the Civil Service Commission in the past for supergrades for these examiners in chief?

Mr. WATSON. The Department of Commerce has and the Department has a representative here if you would like to question him.

Mr. DAVIS. Can you tell us what the Civil Service Commission did about it?

Mr. WATSON. I have a copy of a letter addressed by Mr. Irons of the Civil Service Commission to Mr. Carlton Hayward, Director of Personnel of the Department of Commerce, in which he said the grade was entitled to be more than grade 15.

Mr. DAVIS. What did he say it was entitled to be?

Mr. WATSON. I can read the letter to you.

Mr. DAVIS. Suppose you put it in the record and we will study it.

Mr. WATSON. I will put it in the record.

Mr. DAVIS. Would that letter answer this question as to whether the Commission has approved a grade 17 for these examiners?

Mr. WATSON. I am not sure.

Mr. DAVIS. Do you know if the Commission has?

Mr. WATSON. No, I do not. I believe the Department in its letter requested the Commission only to indicate whether these positions merit a higher level than GS-15.

Mr. DAVIS. Furnish that for the record.

Mr. WATSON. I think the letter will make that clear.

(The letter referred to follows:)

U. S. CIVIL SERVICE COMMISSION,
Washington, D.C., July 10, 1959.

Mr. CARLTON HAYWARD,
Director of Personnel,
Department of Commerce,
Washington, D.C.

DEAR MR. HAYWARD: In response to your request of June 8, 1959, we have reviewed the classification of the positions of examiner in chief (member, Board of Appeals) in the Patent Office. In consideration of the wide range of subject matter fields with which these employees are concerned and the nature of the cases decided by them, we believe that their positions may be evaluated above the GS-15 level.

We feel that the positions are stronger than the patent interference examiners provided for in grade GS-15 in the June 1958 standards and that they are also better than the GS-15 attorney positions on the Trademark Trial and Appeal Board.

While the GS-15 level is appropriate for the examiner in chief positions, we are taking no further action at this time, since your letter of June 2 is not an official request for action. Even if you should submit these positions to us officially, there appears to be little likelihood that they could be placed in grade GS-16 under the Classification Act in view of the stringent space situation imposed upon us under the act.

Sincerely yours,

WARREN B. IRONS, *Executive Director.*

Mr. DAVIS. Is there any difference between an examiner in chief and a designated examiner in chief?

Mr. WATSON. Yes; there may be a difference in grade in their normal duties. The designated examiner in chief is a primary examiner or a supervisor, a GS-14 grade or higher. The members of the Board of Appeals, the examiners in chief, are at present in the GS-15 grade. The usually designated members are what we call primary examiners, each in charge of one of the 67 divisions of the Patent Office. However, when designated to act as examiners in chief, as provided by Public Law 593, 82d Congress, they perform the same duties and exercise the same responsibilities as the permanent members.

Mr. DAVIS. At what grade?

Mr. WATSON. GS-15. The law, Public Law 85-933, which has already been passed, enables us to pay them, while they are serving temporarily as members of the Board, at the established rate for the positions in which they are temporarily serving—the top of GS-15.

Mr. DAVIS. The present law allows that?

Mr. WATSON. Yes.

Mr. DAVIS. You only pay them, then, from 14 up to 15?

Mr. WATSON. That is right. The law provides that as soon as they resume their duties as primary examiners that increased pay drops back.

Mr. DAVIS. If these supergrades which you are requesting should be granted how many other employees of grades 12, 13, 14, and so on would you say would be raised one or more grades?

Mr. WATSON. I would say none. This is a local situation with the Board of Appeals.

Mr. MURRAY. Judge, I see where on July 30 of this year the Senate passed S. 1845 authorizing the Secretary of Commerce to increase the compensation of examiners in chief and designated examiners in chief to a rate not in excess of the maximum rate in grade 17. It puts them all in grade 17.

Mr. WATSON. The bill passed by the Senate will remove these Executive appointee positions from the provisions of the Classification Act and permit the Secretary of Commerce to establish the rate of compensation at not to exceed the maximum rate of GS-17. I imagine that it will be established in conjunction with the Civil Service Commission.

Mr. MURRAY. I understand this Senate-passed bill to say they will be placed at a salary not in excess of the compensation provided for grade 17. In other words, it could not exceed the maximum in grade 17.

Mr. WATSON. That is the top limit.

Mr. MURRAY. That is right. You are not satisfied with that legislation?

Mr. WATSON. I would be very happy if this became law.

Mr. DAVIS. Are you appearing this morning to ask that this subcommittee approve S. 1845?

Mr. WATSON. The first sections that apply to the Patent Office, I urge approval of.

The bill S. 1845, if enacted into law, does not create any additional positions above the number presently authorized by (35 U.S.C.) as amended by Public Law 85-933 of September 6, 1958. Neither will it affect the number of designated members which will vary with the number of appeals since (35 U.S.C.) provides: "Whenever the Commissioner considers it necessary to maintain the work of the Board of Appeals current, he may designate any patent examiner of the primary examiner grade or higher, having the requisite ability to serve as examiner in chief for periods not exceeding 6 months each."

S. 1845 (H.R. 8479) will permit the Secretary of Commerce to fix the rates of the examiners in chief and the designated examiners in chief at not to exceed the top step of GS-17. Existing legislation, Public Law 85-933, provides for temporary increases in compensation for the designated examiners in chief. Section 2 of Public Law 85-933 provides: "Such designated examiners in chief may be compensated at the established rate for the positions in which they are temporarily serving, provided, that at the end of the period for which designated their rate of compensation shall be adjusted to what it would have been had such designation not been made." S. 1845 (H.R. 8479) will permit the Secretary of Commerce to fix different rates for the designated examiners in chief which may be lower than those of the permanent members, if he determines this to be more equitable. This flexibility appears very desirable since it will permit varying rates based upon individual abilities, competence, and experience.

Mr. DAVIS. Any further questions?

Mr. WALLHAUSER. I have no questions.

Mr. DAVIS. Is there anything further you would like to say?

Mr. WATSON. I would say this, Mr. Chairman, that I have here in the room a number of interested persons. I will give the clerk their names. I would like to have you know that presently present are Mr. Harold B. Whitmore, at my left, who is past president of the Patent Office Society, and who is representing that organization. In the rear is Mr. Milton O. Hirshfield, president of the Patent Office Society.

Representing the American Patent Law Association is Mr. Roberts B. Larson, first vice president of the American Patent Law As-

sociation, the entire American Patent Law Association being entirely behind the bill. Also, representing the National Council of Patent Law Associations is Mr. C. Willard Hayes. Representing the Department of Commerce is Mr. Kenneth F. McClure, Assistant General Counsel, and this morning I gave to the clerk a letter from the Secretary of Commerce endorsing the bill, the matter having been processed with the Budget Bureau.

I believe it will save your time if I submit for the record a portion of an article entitled "The Board of Appeals of the Patent Office" published at pages 300-306 of the May 1958 issue of the Journal of the Patent Office Society.

(The article referred to follows:)

[Journal of the Patent Office Society, May 1958]

THE BOARD OF APPEALS OF THE PATENT OFFICE

(By Jennie M. and Herschel F. Clesner)

The patent examination system was reestablished in 1836 and has continued to the present time. The value of examination depends upon the facilities and the patent examining corps. The patent grant purports that a thorough and complete search has been made and the priority, unobviousness, and worldwide novelty of the invention acknowledged should establish validity. The commercial value of a patent is dependent on its validity.

All administrative judicial functions of determination are lodged exclusively with the patent examiners and the Board of Appeals composed of examiners-in-chief. The patent examiner must properly evaluate the prior art, against the disclosure of the claimed invention in deciding whether it is novel and an advance in the art which would not be obvious to an ordinary person skilled in that particular technological field.

The patent statute provides that when an examiner finally rejects an application for a patent, the applicant may appeal the decision of the examiner to a Board of Appeals. This Board of Appeals comprises nine examiners-in-chief, Presidential appointees, who are required to be persons of competent legal knowledge and scientific ability. The Commissioner of Patents and the Assistant Commissioners are also members of the Board of Appeals, but their other duties usually prevent them from personally acting and deciding appeals.

A three-man panel of the Board hears each appeal. The applicant first submits a brief. The examiner files an opposing statement. The applicant may, if he wishes, present his case orally before the Board. The Board reviews the entire application as to the facts and the law. In each instance the panel assigns a member to write the decision. The decisions of the Board are final within the Patent Office on all questions of patentability of invention. The only appeal from this Board is either to the Court of Customs and Patent Appeals on the record or a *de novo* civil proceeding in the District Court of the United States for the District of Columbia.

HISTORY OF THE BOARD OF APPEALS

After the reinstitution of the examination system in 1836 the Commissioner had primary examiners investigate and report on cases which had been appealed to him.

In the following years the appeal to the Commissioner was placed on a more systematic basis. The decisions of the Commissioner of Patents in manuscript volumes began in 1853. The appeal to the Commissioner appears for the first time in 1855 in the Rules of Practice of the Patent Office. The practice was to refer the investigation of most appeals to a board constituted for the occasion, consisting of two or more examiners, who made their report to the Commissioner. Uniformity of procedure and assertion of principle were not maintained as the boards constantly changed and the Commissioner could not critically examine each report. The appointment of a permanent board of three examiners-in-chief, charged with the duty of hearing and determining all appeals from the decisions of the primary examiners, was suggested.

In November 1857, the Commissioner detailed three primary examiners to act on appeals made to him, thus creating an unofficial permanent Board of Appeals. The Board wrote detailed opinions on the cases and the Commissioner would, as a rule, adopt these opinions as his decisions. He found the results to be satisfactory and asked Congress to give the Board a legal status.

An act of Congress approved March 2, 1861, provided a system of two appeals within the Office, one from the examiner to a board of three examiners-in-chief, and the other from the Board to the Commissioner of Patents in person. This act gave statutory authority for the Board. Previous to the act, the Board in effect acted for the Commissioner in an appeal to him and a separate appeal from the Board to the Commissioner did not exist except possibly as the Commissioner might personally reconsider a case.

In 1912 President Taft's Commission on Economy and Efficiency made an investigation of the Patent Office and recommended enlargement of the membership of the Board and that the appeal to the Commissioner be eliminated.

The Secretary of the Interior, in 1924, appointed a committee to suggest methods for simplifying procedure in the Patent Office. This committee was enlarged the following year by the Secretary of Commerce when the Patent Office was transferred to that Department. The Committee's first report was made in February 1925, and their final report in 1926. Both reports recommended that the appeal to the Commissioner from the Board be abolished. A bill was introduced in both Houses of Congress and hearings were held in December 1926. The bills became law March 2, 1927. The two appeals, to the Board and from the latter to the Commissioner within the Patent Office were replaced by a single appeal to the Board of Appeals on which the Commissioner, the Assistant Commissioners and the Examiners-in-Chief could serve as members. The Board was empowered to hear appeals from the adverse actions of examiners upon applications for patents, and from decisions in interference cases. The statute further required that each appeal shall be heard by at least three members of the Board of Appeals.

On February 14, 1927, the Congress enacted an increase in the number of examiners in chief to six. With the continued increase in the Board of Appeals backlog and workload the Congress approved an act, April 11, 1930, to increase the membership of the Board of Appeals to nine. However, this was not sufficient to carry the flood of patent work which flowed from World War II research and development. Public Law 620 of August 7, 1946, authorized the Commissioner of Patents for a time limit of 3 years, to designate examiners of primary grade or higher to serve as acting examiners in chief on the Board of Appeals. This temporary expedient was determined to be a permanent necessity and was reenacted without the time limitation as Public Law 452 on March 4, 1950. Its purpose is to permit the augmentation of the Board of Appeals by additional temporary members drawn from the examining corps to maintain the workload on a current basis. Numerous and repeated temporary designations are made to maintain the number of appeals on hand at a reasonable figure. The timelag and backlog have, however, continued to rise despite the tremendous workload assumed by the average Board member.

Following increased appropriations by Congress the Patent Office increased the number of examiner assistants engaged in patent work from a low of approximately 600 at the end of 1955 to a high of about 1,050 at present, in an effort to reduce the current backlog of pending applications to a reasonable number. This enlargement of the examining corps and the intensifying of efforts to reduce the backlog of pending applications has correspondingly increased the number of appeals filed.

BOARD OF APPEALS TIMELAG, BACKLOG AND WORKLOAD

In the fiscal year 1955, 3,181 appeals were filed; 7,050 were filed in fiscal year 1956; and 6,174 were filed in fiscal year 1957. The total number of cases awaiting action by the Board of Appeals has increased from 1,504 as of December 1935 to about 7,771 as of April 30, 1958. The timelag for cases submitted on brief decided by the Board of Appeals in 1951 was 16 months. At present the timelag in such cases has increased to 28 months, and the timelag of cases submitted calling for oral argument decided by the Board of Appeals has correspondingly increased. The timelag between appeal and decision is now 26 months whereas in 1954 it was 15 months.

Strenuous efforts have and are being made to cut the timelag and backlog of the regular patent examination process. However, it is no gain to the patent

applicant to have the timelag and backlog reduced in the process of the regular patent application examination merely to find an increased timelag and backlog confronting him on an appeal.

To meet the appeal problem the Patent Office has had to assign, as acting Board members an average of seven other examiners each year since 1951. This has been necessary in attempting to maintain the backlog to approximately 3,200 appeals. Yet this backlog has increased to 7,771 appeals even though the members of the Board of Appeals were aided by 7.6 acting Board members and 9.4 examiner assistants during fiscal year 1957. The acting Board members are usually grade GS-14 primary examiners. The examiner assistants are grade GS-13 specialist-examiners and assistant primary examiners. The Board now consists of 9 examiners in chief, 10 primary examiners on detail, and an assistant Commissioner.

The average Board member participated in and wrote decisions in the year 1951 to 1956, as follows :

Year	Participated in	Wrote decisions in
1951.....	468	156
1952.....	465	155
1953.....	423	141
1954.....	470	157
1955.....	426	142
1956.....	369	123

This is an exceedingly heavy workload considering the number of decisions participated in, the number decisions to write, the complexity of technical subject matter involved, and that the Board reviews the application as to both the facts and the law.

COMPARATIVE WORKLOADS

The magnitude of this workload may be realized when one notes that it far exceeds that of a judge of the Court of Customs and Patent Appeals whose workload is considerable. This comparison is made because approximately 70 percent of the cases heard by the Court of Customs and Patent Appeals are on appeal from the Patent Office. The courts sits en banc. Each judge is entitled to the aid of a law clerk. The court also has the benefit of a chief technical adviser who is scientifically competent and trained in the law.

The average judge participated in and wrote decisions in the years 1951 to 1956 as follows :

Year	Participated in	Wrote decisions in
1951.....	144	23
1952.....	117	23
1953.....	115	23
1954.....	110	22
1955.....	110	22
1956.....	93	19

PERCENTAGE REVERSAL OF THE BOARD OF APPEALS BY THE COURTS

Despite the workload, the work of the Board of Appeals has been such that the Court of Customs and Patent Appeals, has only fully reversed the Patent Office 13 percent in the years 1951 to 1957, as to the total number of appeals filed from the action of the Board of Appeals.

An applicant dissatisfied with the decision of the Board of Appeals may, unless appeal has been taken to the U.S. Court of Customs and Patent Appeals, have remedy by civil action against the Commissioner in the U.S. District Court for the District of Columbia. This court may adjudge that applicant is entitled to receive a patent for his invention, as specified in any of his claims involved in the decision of the Board of Appeals. This court only fully reversed the Patent Office 10.2 percent in the years of 1951 to 1957, as to the total number of appeals filed from the action of the Board of Appeals.

Mr. DAVIS. Thank you very much, Mr. Commissioner, for your testimony.

Mr. WATSON. Thank you, Mr. Chairman, for the opportunity which you have given us to appear.

Mr. DAVIS. We will now hear from the Treasury Department, represented here this morning by Mr. W. W. Parsons, Administrative Assistant Secretary, and Mr. Dana Latham, Commissioner of Internal Revenue. We have previously discussed this matter with Mr. Latham. Mr. Parsons, do you want to cover anything other than has already been covered?

STATEMENT OF WILLIAM W. PARSONS, ADMINISTRATIVE ASSISTANT SECRETARY OF THE TREASURY

Mr. PARSONS. Mr. Chairman, I have a very brief statement I would like to make which I think will answer your question.

Mr. DAVIS. Very well. We do not want to cut you off. We will sit after 12 o'clock if necessary. I just thought if we could shorten it without cutting anybody off we might do so.

Mr. PARSONS. Mr. Chairman and members of the subcommittee:

I am here at your request to present briefly the comments of the Treasury Department on the matter before you this morning. I understand that Congressman Mills, of the House Ways and Means Committee, referred to your committee an estimate of needed salary adjustments, which Commissioner of Internal Revenue Latham had submitted in response to Mr. Mills' request. Therefore, the matter before you originated as a result of a recommendation in a report made in 1957 by the Subcommittee on Internal Revenue Taxation of the House Ways and Means Committee.

I can assure you that provision of additional supergrade positions in the Internal Revenue Service is essential for effective administration and enforcement of tax laws and regulations. I am certain that this subcommittee is as interested in facilitating the meeting of this objective as is the Treasury Department, and therefore the Department requests your assistance in that direction.

The estimate submitted to Congressman Mills, and which has been referred to you, is compatible with sound principles of salary administration; with the size, scope, and importance of the operations of the Internal Revenue Service; and with the responsibilities assigned to senior personnel in that Service. This subcommittee can be assured that grades and salaries of supergrade or higher positions in the Internal Revenue Service will be approved only after the usual thorough evaluation of the sort we presently make in the Office of the Secretary of the Treasury for all supergrade positions in the Department.

Commissioner Latham is here to speak for the Internal Revenue Service and at this time he wishes to make some comments on this matter.

Mr. DAVIS. Very well, Mr. Latham.

STATEMENT OF DANA LATHAM, COMMISSIONER OF INTERNAL REVENUE

Mr. LATHAM. Mr. Chairman, I do not want to unduly prolong this matter but, as you mentioned, I have had the privilege of an informal

meeting with Mr. Murray and yourself, and Mr. Belen, chief counsel of the committee, at the intercession of Mr. Mills.

Mr. DAVIS. You have also submitted some information.

Mr. LATHAM. We submitted what we call our blue book.

Mr. DAVIS. I have passed it out to some of the members. I do not know if you have seen it, Mr. Wallhauser. I leave it in your possession until you can go through it.

Proceed with your statement, Mr. Latham.

Mr. LATHAM. The basis on which we proceeded in Internal Revenue was simply to look at the matter from the Commissioner's standpoint first, and then to consider the Office of the Chief Counsel. As I have already told you, I am familiar, I believe, with your approach to the problem of supergrades and statutory rate positions, and we have made every effort to make our request consistent with that approach, as we understand it.

We do not predicate this request for supergrades on the theory we are losing top personnel, except for attorneys. We base it on two grounds: First, that the positions and responsibilities warrant the supergrades; and second, that without them, we are having extreme difficulty in filling important positions.

You are all familiar with the fact that our people are highly trained. We cannot simply hire them off the street. They do not become effective until we have had them several years.

Under our theory of decentralization, we have nine Regional Commissioners, each of whom supervises from 4 to 10 District Directors. We have 64 districts. Prior to the reorganization, the Director of each district was called a collector of internal revenue, and was a Presidential appointee. Now we have no Presidential appointee in the Service except the Commissioner. All others are career employees, and I think that is a basic consideration to be remembered.

The responsibilities of these Regional Commissioners and District Directors under our practice of decentralization are heavy. We believe the duties of regional and some district heads warrant higher supergrade classifications, the grade of District Directors depending on the responsibilities and the size of the office.

The problem of getting people to assume these important posts can be illustrated in this way:

We recently had a vacancy for District Director in Chicago, which has almost 2,000 employees and is a very difficult office to administer. We filled that vacancy with the man who was in charge of our Hartford district, which is much smaller than the Chicago district. Both positions are grade 16. If we had not had a dedicated man who was willing to take a reduction in real salary, in view of the greater cost of living in Chicago, we would have had even greater difficulty in filling that position.

Take, for example, the position of chief of audit in a district such as upper Manhattan in the New York region. We had to search for weeks to get anybody to take that job because it is a GS-15 job. The man we wanted to move into this position was already GS-15 in a smaller district, with less responsibilities and subject to less criticism. Had we been able to give this man we wanted a 16, we would not have had nearly the difficulty we encountered in filling the position.

That situation extends throughout the field service.

What we propose here is to give a grade 18 to all our regional commissioners. We feel their responsibilities fully justify that.

Mr. DAVIS. Would that put you in a position where you still could not have advanced them an from the smaller place to upper Manhattan?

Mr. LATHAM. No; because a part of our plan would be that we would make the chief of audit position grade 16 in our 10 largest districts. Then we believe we could fill those jobs with able men without the difficulties we have encountered.

Mr. DAVIS. What would your plan have provided in the case of the man who did not go from the smaller place to upper Manhattan? Under your plan now would he be moved to an upper grade?

Mr. LATHAM. The man would remain in his same grade so long as he stays where he is, but he would go to a 16 should he transfer to upper Manhattan.

Mr. DAVIS. What I am getting at is, Would you move all of them up now and leave yourself in the same position you found yourself in when you wanted to put a man in upper Manhattan?

Mr. LATHAM. No; because we would differentiate based on the size of the district and the responsibilities. In our 10 largest districts we would make the chief of audit a grade 16 and we do not think we would have a particular problem because then we could move a 15 from a smaller district into that 16 position.

We would take our district directors—some are grade 15 and some are grade 16, none are higher—we would take our 12 largest districts and move district directors to grade 17. The regional commissioner would move to grade 18, and then we would have very little difficulty in filling those very important positions.

We do not believe this would leave us in a position where we could not move in the future, because we would differentiate between particular positions based on their importance. I can assure you that in the 10 months that I have been Commissioner the problem of filling these particular vacancies is assuming increasing importance, and if we do not have something of this kind we are going to have to settle for less than the best for these very important positions.

So far as the Chief Counsel's Office is concerned, we have a somewhat different situation. We have not only the problem of getting these people to move from one area to another, but also the difficulty of retaining them at all. This alarming situation was again brought to my attention yesterday in talking with our Chief Counsel. I will give you just one example; we can multiply them by the score: In what we call our Interpretative Division in Washington, we have 55 lawyers. Thirty-eight new replacements have had to be brought into the Division since 1953, which means that we not only have a minority of experienced skilled lawyers here but also in the field. The same thing is generally true throughout the Chief Counsel's Office. At present, unfortunately, it is merely what we might call a postgraduate school in taxation for young lawyers. We believe that if that Office is to function properly, we must have the needed supergrades to enable us to pay these lawyers more money and also to hold out financial inducement to them for a future within the Service.

The practice of decentralization which I mentioned is as applicable to the Chief Counsel's Office as to the rest of the Service because two-

thirds of our 550 lawyers are located in regional and district offices, working with our other people there. We believe there should be an increase in the number of supergrades available here and also the regional counsel in the various regions should be given supergrades commensurate with the responsibilities which they bear. These lawyers, I do not need to tell you, are dealing constantly with the cream of the crop, so far as tax lawyers are concerned, and we definitely need to recruit and retain skilled lawyers in this field.

These are the bases upon which we believe that the Internal Revenue Service needs additional supergrades.

The statutory positions contemplated by the proposal are the Deputy, and the Assistant Commissioners, and the Chief Counsel, presently at grade 18 salary rates. We propose that the Chief Counsel have a statutory rate of \$19,000, and, certainly, when you consider the number of lawyers under his direction, and the responsibilities which he bears, it is not out of line with positions in other bureaus and departments of the Government.

Mr. DAVIS. You are proposing six of those statutory offices?

Mr. LATHAM. Six statutory rates would go to the Assistant Commissioners, only four of whom are presently identified in our bluebook.

Mr. DAVIS. You have, though, in the Office of the Chief Counsel one and you have two in the Office of the Commissioner, one in the Office of the Assistant Commissioner, and one in the Office of the Assistant Commissioner for Inspections as well as one in the Office of the Assistant Commissioner of Operations. That is three in the Office of the Assistant Commissioner.

Mr. LATHAM. There would also be the Deputy Commissioner, whose statutory rate had been \$17,500; when the Classification Act pay increase went into effect a year or so ago, it meant he was paid only the equivalent of the grade 18 salary. We would fix the Deputy Commissioner's salary at \$19,000. Then the Assistant Commissioners would take up the remaining statutory rates at not to exceed \$18,500.

Mr. DAVIS. So, you are asking for seven all told?

Mr. LATHAM. Seven new positions at statutory rates.

Mr. DAVIS. Let me ask you a few questions with reference to your employment.

What is the current total employment in the Treasury Department?

Mr. PARSONS. 76,011 as of June 30, 1959.

Mr. DAVIS. What is the current employment in the Bureau of Internal Revenue?

Mr. PARSONS. 50,216, on June 30, 1959.

Mr. DAVIS. What was the employment in each 3 years ago?

Mr. PARSONS. On June 30, 1955, the number of employees in the Treasury Department was 79,180, and the number in the Internal Revenue Service was 50,910.

Mr. DAVIS. Now, of the proposed additional supergrades, how many of those positions have been reviewed and approved by the Civil Service Commission?

Mr. LATHAM. They have not been referred to the Commission, Mr. Chairman, for one primary reason: The request for an estimate of needed supergrades originated with Chairman Mills and his committee, as you know. Our problem with respect to needing a general increase in number of supergrades, including most of these particular

positions, had been considered by the Civil Service Commission early in 1958. We did not believe it to be appropriate at this time to present the matter of grades in detail to the Commission, but we would be pleased to do so.

Mr. DAVIS. Do you have any other request pending with the Civil Service Commission for additional supergrades?

Mr. LATHAM. Yes; we have five pending, but we are advised that they simply do not have any available.

Mr. PARSONS. We included in our overall 1958 requests for the Department a substantial number of additional supergrades for the Internal Revenue Service along with other Treasury bureaus and there was not sufficient ceiling, shall I say, for the Commission to allocate the numbers in the sense that we feel are justified here.

Mr. DAVIS. How many did you apply?

Mr. PARSONS. I would have to get that figure for you, sir. It was something slightly less than the number being requested here.

Mr. DAVIS. Will you please furnish that information for the record?

Mr. PARSONS. Yes, sir.

(The information requested follows:)

In January 1958, for the purpose of assisting the Commission in making an estimate of additional supergrade needs, the Treasury submitted an estimate of 150, including 114 for the Internal Revenue Service.

In July 1958, when a limited number of additional supergrades became available for distribution throughout the entire Federal service, Treasury applied for 39, including 32 for Internal Revenue Service. In the October 1958 distribution of the additional supergrades, Treasury received 19, of which 14 were for the Internal Revenue Service.

These statements do not include upgradings of supergrade positions, because such actions do not increase the number of supergrades.

Mr. DAVIS. How many positions has the Civil Service Commission allocated to you in the past 2 years?

Mr. PARSONS. I have the figures here, sir. We currently have a total allocation of supergrade positions for the Department of 146. I have those distributed by the three grades if you would care to have them.

Mr. DAVIS. Yes, sir.

Mr. PARSON. We have 101 grade 16's, 35 grade 17's, and 10 grade 18's.

This number, I believe, includes approximately 20 that we have received within the last 2 years. However, let me check that figure for accuracy and provide it in the record.

Mr. DAVIS. Very well.

(The figure referred to follows:)

The Treasury received 25 additional supergrades from the Civil Service Commission between July 1, 1957, and August 20, 1959. Nineteen of these were for the Internal Revenue Service.

Mr. DAVIS. Do these additional supergrades requested actually mean new positions or reflect pay increases?

Mr. PARSONS. These represent upgrading of all currently existing positions such as those the Commissioner described.

Mr. DAVIS. Have you figured what the additional cost or what the cost per annum would be for these additional positions?

Mr. PARSONS. Yes, sir. They would cost, assuming the average grades, on an estimated basis, approximately \$96,750. That would be the estimated cost based on the average increase.

Mr. LATHAM. That includes the executives.

Mr. PARSONS. Including the statutory rate positions.

Mr. DAVIS. That is, the additional cost for these positions?

Mr. PARSONS. That is right, sir.

Mr. DAVIS. If you are granted an additional number of supergrades would you anticipate a general upward trend in grade charges throughout the entire classification system?

Mr. PARSONS. There would be promotions of individuals to positions below this level; that is right, sir, and some upgrading. I think that would be inevitable.

Mr. DAVIS. To what extent?

Mr. PARSONS. Would you want to comment on that, Commissioner Latham?

Mr. LATHAM. We made an estimate of that, Mr. Chairman, the best way we could, and concluded that the figure, over and beyond supergrade changes, would be approximately \$80,000 to \$85,000 a year on account of upgradings within the entire service if we obtained all the supergrades requested.

Mr. DAVIS. In this information which you furnished to the committee in July 1959, on the last page there, or the first page of this subdivision No. 2, at the bottom of that page it says it is estimated that there may be upward of 85 positions that would be regarded from GS-14 to GS-15 at a cost of \$120,275.

That just includes promotions from one grade to another grade, the \$120,275. That does not include, of course, the GS-12's going up to GS-13, and GS-13's going up to GS-14, and so forth?

Mr. PARSONS. I think the general point on that should be this. That all of our positions are subject to review and application of civil service standards. If we have an individual currently in a GS-12 position and under the standards published by the Commission, that position should be GS-13, I think today we should put them at GS-13. That is the way the system presumably does work, and should work.

As a result of this, I do not think one should say that automatically there is a flow upward, but I think it is all subject to review and the application of civil service standards.

Mr. DAVIS. The figures you have just given are your best estimate as to increased cost by reason of these additional supergrades?

Mr. PARSONS. Yes, sir.

Mr. LATHAM. We did not contemplate in Internal Revenue upgrading all the way down the line because of these supergrades requested.

Mr. DAVIS. Does the Treasury Department have any means of controlling these grade increases?

Mr. PARSONS. We make the review of the standards and their application to all of these particular positions by type. We review them very carefully and conscientiously, as does the Civil Service Commission, to see to it that the standards are followed.

Mr. DAVIS. If the Internal Revenue Service were to adopt a staffing pattern as proposed by this July 1959 justification booklet, what

would that do to the remainder of the staffing pattern in the Treasury Department?

Mr. PARSONS. The two things are not directly related, sir. As you know the Treasury Department quite well yourself, we have many different types of programs and each one pretty well stands on its own feet. The Internal Revenue Service program is vastly different, for example, than our Customs Bureau program, and so on. While we do have supergrade and, perhaps, statutory pay problems in some of our other activities, none of them are really as acute as the conditions that the Commissioner has presented, and I do not believe that this would materially affect the other bureaus. Admittedly, in time we will have problems and we will have to come to you gentlemen with requests in that connection. However, we did not feel that this was the appropriate time to do it since this related to the matter that Congressman Mills had referred to us. This, I believe, will not in any way complicate the problems in our other bureaus. There are some there, though.

Mr. DAVIS. You have asked for what you think would be adequate provision for the Treasury Department?

Mr. PARSONS. We, certainly, considering all the needs, sir, can get by for the present; that is right.

Mr. DAVIS. We thank you very much for this information. Also, I want to thank you especially, Mr. Parsons, for the cooperation which you have extended to this committee during your Federal service and we regret very much that you will not be here any longer.

I understand you contemplate leaving the Federal service.

Mr. PARSONS. I am leaving effective tomorrow. Tomorrow is my last day. I am transferring to California.

Mr. DAVIS. I want to say that I, for one, regret that very much, and we do appreciate the cooperation which you have extended to this committee.

Mr. PARSONS. Thank you, sir.

Mr. REES. I would like to express my appreciation for the splendid service you have rendered your country as well as the Department. You have done a good job.

Mr. PARSONS. Thank you, sir.

Mr. MURRAY. I would also like to join in the same remarks made by both Mr. Davis and Mr. Rees and, also, I would like to say that we have conferred with Mr. Latham, the Commissioner, on at least two occasions at length about the request—the initial request—to Chairman Mills who has shown an intense interest in this matter.

I might say that I am in general sympathy with the objective sought by Commissioner Latham in this matter.

Mr. LATHAM. Thank you, sir.

Mr. MURRAY. Thank you, Mr. Chairman.

Mr. DAVIS. The subcommittee will adjourn until 10 o'clock tomorrow morning, at which time Dr. Bennett from the Bureau of Prisons will be the first witness.

I am sorry, Dr. Bennett, we could not reach you today.

(Thereupon, at 12:15 p.m., the subcommittee adjourned, to reconvene Friday, August 21, 1959, at 10 a.m.)

SUPERGRADE AND RESEARCH-SCIENTIFIC POSITIONS IN VARIOUS FEDERAL AGENCIES

FRIDAY, AUGUST 21, 1959

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE OF THE
COMMITTEE ON POST OFFICE AND CIVIL SERVICE,
Washington, D.C.

The subcommittee met, pursuant to call, at 10 a.m., room 215, Old House Office Building, Hon. James C. Davis (subcommittee chairman) presiding.

MR. DAVIS. The subcommittee will come to order, please.

We are continuing this morning the hearings on the application from various departments for supergrade positions and Public Law 313 positions.

We regret that time ran out on us yesterday and we were not able to hear from the representatives of the Bureau of Prisons, the Small Business Administration, and the Administrative Office of the United States Courts.

We are glad to have you gentlemen back with us and the first witness is Dr. Bennett, Director of the Bureau of Prisons.

Dr. Bennett, we are glad to have you with us and we shall appreciate having your statement.

STATEMENT OF JAMES V. BENNETT, DIRECTOR OF THE BUREAU OF PRISONS

MR. BENNETT. Good morning, Judge Davis, and members of the committee.

Mr. Chairman and gentlemen of the committee, I am James V. Bennett, the Director of the Federal Bureau of Prisons in the U.S. Department of Justice.

I have a statement here, Mr. Chairman, that I have prepared for the information of the committee, and with your permission I will submit that for the record and just give you a brief statement of our needs.

MR. DAVIS. Very well, sir.

(The prepared statement of Mr. Bennett follows:)

PREPARED STATEMENT OF JAMES V. BENNETT, DIRECTOR OF THE BUREAU OF PRISONS

We appreciate the action of the Senate authorizing the Attorney General to place three positions in the Bureau of Prisons in grade GS-17, and hope very much that the House of Representatives will concur. If enacted, this legislation will authorize a grade GS-17 for the four assistant directors and

for the special assistant for sentencing. Presently, the Civil Service Commission has been able to allocate only two of those positions in grade 17.

The needs of the Bureau of Prisons for supergrade jobs have not been recognized despite the fact that the size, hazards, and scope of our responsibilities have continued to grow. Our prisoner population is increasing at the rate of approximately 1,000 per year and we are receiving more difficult, aggressive, and dangerous prisoners. In addition, new responsibilities have been assigned to us by the Congress with respect to the presentencing diagnosis of prisoners and the submission of recommendations to the courts as to final disposition of defendants.

The Federal Bureau of Prisons administers the largest prison system in the world, comprised presently of some 31 institutions of various types, including several maximum custody institutions, a series of correctional institutions, 4 reformatories for youthful offenders, a number of camps, and a large medical center. The population of these institutions is presently 22,359, and it is anticipated that the population will increase to the point where it averages slightly over 23,000.

An increasing number of bank robbers, narcotic racketeers, kidnapers, and other extremely dangerous types of offenders are being brought into Federal court and convicted. The rising tide of youthful offenders convicted of transporting stolen automobiles across State lines, forging Government checks, and using narcotic drugs present a tremendous challenge to prison administrators, diagnosticians, and others who must develop methods and policies for their rehabilitation and readjustment in the community.

A further responsibility placed upon the Prison Bureau by the last Congress entails the making of recommendations to the courts on the disposition of pending cases. Whenever a Federal judge is in doubt as to the mental competency of a defendant or the most equitable and appropriate disposition of an offender he may request of the Prison Bureau a complete case analysis and its recommendations. Also, the Congress has directed we cooperate with the Director of the Administrative Offices of the U.S. Courts in developing the agenda for a conference of district judges on all matters related to sentencing.

Beyond these responsibilities, there is the task of providing useful and stimulating employment to Federal prisoners. This is the function of the Federal Prison Industries Corporation which operates some 53 industrial shops producing goods for the Government, with a gross sales value of over \$31 million annually. Dividends presently being paid into the Treasury annually aggregate \$4 million. The Atlanta Penitentiary, for instance, manufactures cotton textiles, mostly for use in mail bags, and is a completely self-supporting institution.

If our request for these supergrades is allowed it will enable us to place the five positions stated above in GS-17 and to place the wardens of four major institutions—Atlanta, Leavenworth, Alcatraz, and Chillicothe—in grade GS-16. It should be remembered that the wardens of these large institutions, in addition to administering and managing complex installations, are charged with the detention of some of the most difficult prisoners in the country, and directing the operations of large industrial factories which any place else would, by itself, justify a higher grade. These wardens of Federal prisons receive no perquisites for which appropriate deductions are not made from their salaries. They are paid considerably less than are the wardens in many of the State institutions. It should also be borne in mind that the Bureau of Prisons is a completely career service.

Mr. BENNETT. This is a request that you concur in the action of the Senate in granting to the Bureau of Prisons three supergrade jobs in grade 17. These three jobs will enable the Attorney General to place in grade 17 the four Assistant Directors of the Bureau of Prisons and a special staff adviser on sentencing.

The bill provides for only three additional jobs, but the Commission has already granted us two grade 17 jobs.

Mr. GROSS. Mr. Chairman?

Mr. DAVIS. Mr. Gross.

Mr. GROSS. May I interrupt. You state, a special officer on sentencing?

Mr. BENNETT. Special adviser on sentencing; yes, sir.

The last Congress enacted a statute which permits Federal judges to commit to the Attorney General and the Bureau of Prisons persons convicted of crimes against the United States for diagnosis and recommendation to the court as to the disposition of the offender. It was a new statute which broadens the sentencing alternatives available to the judge. A Federal judge may now sentence an individual under a definite sentencing provision. That is to say, 5 years, in which case the defendant becomes eligible for parole at the end of one-third of his sentence or the judge may, if he chooses, commit the man under a sentence where the judge specifies the minimum sentence and the maximum sentence. Or, the judge may, if he cares to do so, sentence him merely for the maximum term in which case he becomes eligible for parole at a time set by the Parole Board.

Or, he may commit him to the custody of the Attorney General for diagnosis, observation, and recommendation as to the term to be served.

It is a proviso that is being used in increasing numbers by the Federal judges, particularly in cases where the judge has some additional information he needs about the person before he feels he could dispose of him, such as a person who is mentally ill, a defective, a sex deviate, or something of that kind, or, Mr. Gross, where the prisoner is brought in under rule 20 in one area for a crime committed in another area. Under the Federal rules, a person who commits a crime in the jurisdiction of San Francisco, and if he is apprehended in New York he may go before the judge in New York, plead guilty, and be sentenced. The New York judge, you see, needs detailed information as to the offense, background, and so on, from the San Francisco court and we supply that, in addition to making a recommendation as to the disposition of the case.

MR. DAVIS. Just by way of observation, Dr. Bennett, it looks to me, and has looked to me for some time, that the criminals, crooks, gangsters, and hoodlums, are getting the better of the law-abiding people in most of this new legislation and most of these new practices that are put into effect. They begin with the proposition that they may not be caught when they commit a crime and if they are caught, it may not be the first time that they have committed a crime, but maybe the 10th or 20th time, and the first time they go to court they have the opportunity of fooling the jury, maybe fooling the court. If they are convicted, then they have the opportunity of escaping and they have the opportunity of probation, parole, and all of those things.

In the meantime, crime continues to increase and it looks like things are just converging toward a point where the crook and criminal have all the advantage and the law-abiding, tax-paying people just get it in the neck.

MR. BENNETT. By way of comment—I am not in any way disrupting what you are saying, Judge Davis—it is a fact that we are getting in the Federal system, as you know, an increasing number of offenders. Our prison population is increasing at the rate of nearly a thousand a year and a very large number of extremely serious offenders are being committed to the Federal prison system.

Incident to what you say, the average sentence being received by Federal offenders, and likewise by States, is increasing. The amount of time served for the commission of crime is now is, on the average,

taken across the board with the 200,000 prisoners in prison; longer. They are serving longer terms than previously.

Mr. GROSS. Is that because of the nature of the crimes?

Mr. BENNETT. I think so and also, as Judge Davis points out, the attitude of the judges, the attitude of the public and the prosecutors. That is all changing with regard to these people.

They are receiving longer sentences and staying with us for a longer time.

Mr. DAVIS. I think you ought to make it still longer myself.

Mr. BENNETT. Well, sir, we are getting plenty of them as you know.

Mr. GROSS. I do not want to pursue this to the exclusion of your further statement, but this adviser is not operating in the capacity of one who rehabilitates prisoners. He is an adviser as to the original sentence, is that correct?

Mr. BENNETT. Yes, this is a person who prepares the reports to the judge, analyzes the case, and gets the information together for him, plus recommendations of the Department.

Mr. GROSS. He can be quite a substantial factor or instrumentality in doing precisely what the judge suggests?

Mr. BENNETT. Exactly: yes, sir.

Mr. WALLHAUSER. Mr. Chairman?

Mr. DAVIS. Mr. Wallhauser.

Mr. WALLHAUSER. How effective has this new position been as far as aiding the judge?

Mr. BENNETT. At the present time—because we have not been able to fill the job—we are doing it with our present personnel and the instances where the judge follows the recommendations of the Department have been quite high, Mr. Wallhauser. It is a new statute and the judges are acquainting themselves with it, but up to now I should say that close to 70 percent of the recommendations of the Bureau are being followed.

Mr. WALLHAUSER. You feel that the legislation is good legislation and helpful legislation?

Mr. BENNETT. I think so.

I think that the judges generally agree that it is helpful to have all the information that they can get about the individual at the time they commit him.

Mr. WALLHAUSER. Thank you.

Mr. DAVIS. That position is not one to be filled by a visionary or dreamer or a person who is subject to being bamboozled by the tales that the habitual criminal puts up and does put up every time he talks?

Mr. BENNETT. That is precisely the point, Judge. No, sir; that is not going to be a visionary. Incidentally, the final responsibility for the recommendation falls upon my office.

Mr. WALLHAUSER. Mr. Chairman?

Mr. DAVIS. Let me ask one more question.

Dr. Bennett, where is this person to be located, here in Washington?

Mr. BENNETT. Here in Washington.

Mr. DAVIS. He will deal then with these matters all over the United States?

Mr. BENNETT. Yes, sir.

Mr. DAVIS. He will, of course, collect information and evaluate it himself and pass that on to the trial judge?

Mr. BENNETT. Yes, sir. Let me be a little more specific.

When the judge commits a man, he commits him to an institution usually in the area. If he is from your district, Judge Davis, and if there were some question about it, he would be committed to the Atlanta Penitentiary. Then the staff of the Atlanta Penitentiary, the various people, such as the warden, the classification people, and so on, would submit their recommendations, their diagnoses, of the case, giving a full statement and quite an elaborate statement to our office in Washington. In Washington we have it gone over again and this fellow would be the fellow who would take those reports and try to coordinate them and they would make their recommendations to me.

Mr. DAVIS. Mr. Wallhauser?

Mr. WALLHAUSER. I wonder what background or training this man would have to have?

Mr. BENNETT. First of all, he has to be a fellow we think is a knowledgeable individual as to the men who commit crime. We would feel that he probably should be a person who has worked in our office for a considerable time. We would also suggest that he should probably be an attorney, and he should also have some acquaintanceship with some of the behavior disciplines that account for crime, but he should be a mature, responsible, thoroughly informed individual with regard to crime matters.

Mr. GROSS. Will you yield?

Mr. WALLHAUSER. Yes.

Mr. GROSS. You select him, is that correct?

Mr. BENNETT. Yes, the Attorney General on our recommendation would select him.

Mr. GROSS. On your recommendation?

Mr. BENNETT. Yes, sir.

Mr. Chairman, the other three positions are for the Assistant Directors of the Bureau of Prisons, of whom there are four.

As I pointed out, our responsibilities are growing very rapidly and over the last 2 years we have increased at the rate of about a thousand additional prisoners per year. Our system is becoming more difficult to administer because of the more serious offenders we are receiving and because we are receiving so many youthful offenders.

As you know, the transportation of the stolen automobile in interstate commerce becomes a Federal crime. That is the largest single category of offenders we receive, about 6,000 of them a year. They are young men, youthful offenders, between the ages, usually, of 16 and 20, 21, or 22. They all present quite serious problems and serious behavior problems.

We are undertaking as best we can to try and provide them with opportunities to learn a trade, with opportunities to go to school. We are trying to rehabilitate them through every known technique and we are succeeding, I think, in a very considerable number of cases. We are succeeding in cases which previously other agencies had not been able to reach. It is a discouraging job and it is an unhappy job, make no mistake about it, but we are trying through our office to set up programs of work such as, for example, vocational training that will have some influence upon changing these warped and hostile and aggressive personalities. That is one of the functions that comes under the heading of one of these Assistant Directors. We call it our classi-

fication program, the selection out of certain offenders for treatment in our various types of institutions.

Our institutions are all graded, if you please. We have a series of maximum custody prisoners where the more serious habitual offenders go. We have a series of reformatories where the 21-, 22-, and 23-year-old offenders go. We have a series of these youth institutions where this group of automobile offenders and automobile thieves go, as I have just explained to you.

We have a series of camps. We have a hospital for the mentally ill and for the very seriously sick prisoners, such as a man with cancer, advanced tuberculosis, or something of that kind. We have a series of so-called correctional institutions where middle-aged offenders, who are not serious habitual offenders, are sent. They are mostly men who receive sentences of 5 years or less.

Then we are also responsible for the commitment to Public Health Service hospitals of persons convicted of violating the drug laws. We have to determine which of those who have violated the drug laws go to these hospitals and which come to our institutions. That responsibility falls upon one of these Assistant Directors.

Another Assistant Director is the one in charge of our industrial program. We operate in the Federal prison system some 59 different industries producing goods for the Government itself, and our total sales last year were about \$32 million with dividends returned to the Treasury this past year of about \$4 million.

Mr. DAVIS. Was that your net profit on the manufactures?

Mr. BENNETT. Yes, sir. One of our largest industries is located in Judge Davis' district at the Atlanta Penitentiary. It is a textile mill which manufactures heavy canvas duck which goes, to a very considerable extent, into mail bags. We are manufacturing a large percentage of the mail bags and that, as I think you know, Judge Davis, at the Atlanta Penitentiary, is a completely self-supporting institution. It does not cost the taxpayer a dime to run because our profit, if you please, on our operations equals the cost of operating that institution.

The man in charge of that and of our other industries is one of the persons covered by this supergrade.

Mr. DAVIS. That institution certainly sets a splendid example there in Atlanta for the benefit of the system, I think.

Mr. BENNETT. Thank you, Judge.

By the way, if these supergrades are allowed here, it will enable us to raise the grade of the warden of the Atlanta Penitentiary to grade 16. The Commission has already surveyed the job and approved it, and all that we need is the necessary slots, if you please.

Mr. GROSS. Mr. Bennett, that is probably the only industry in the United States than can compete with the cheap Japanese labor in the manufacture of textiles.

Mr. BENNETT. Well, sir, we sell our goods at current market prices as determined by what the going price is today. We do not undercut the market in any respect.

Mr. DAVIS. Dr. Bennett, how many supergrade position do you have in the Bureau of Prisons now?

Mr. BENNETT. We have presently two grade 17 positions and four grade 16 positions.

Mr. DAVIS. As a matter of information, does Senate bill 1845, as it came to us from the Senate mean that if it is passed that you will add three additional supergrades to your total; or does it mean that three present GS-16 positions will be raised to GS-17?

Mr. BENNETT. Mr. Chairman, we hope that this bill will be interpreted by the Civil Service Commission as adding three additional positions. That is devoutly to be hoped; yes, sir. That is the situation under which the Senate based its recommendation.

Mr. DAVIS. Has the Civil Service Commission already reviewed the three positions which are provided for in this same bill?

Mr. BENNETT. Yes, sir, they have.

Mr. DAVIS. What was their finding?

Mr. BENNETT. They allowed us grade 17, but had only two slots available for us.

Mr. DAVIS. When did you receive your last supergrade allotment from the Civil Service Commission?

Mr. BENNETT. I guess about a month ago.

Mr. DAVIS. Has this all been cleared with the Bureau of the Budget also?

Mr. BENNETT. I think so. This went through the regular procedure that requires that. As I recall, it had to go through the Bureau of the Budget and it had to go first to the Department and then through the Budget.

Mr. DAVIS. Would these three positions be filled from a career standpoint, or would they be schedule C jobs for political appointment?

Mr. BENNETT. No, sir.

These would be filled through career promotions.

As I think you know, Judge, every position in the Federal Prison System is a career position and all promotions are made from within the service.

Mr. DAVIS. Mr. Gross?

Mr. GROSS. That would be true of your initial adviser, the man you spoke of?

Mr. BENNETT. I am not sure but we hope so in that case.

Mr. GROSS. That is all.

Mr. DAVIS. Dr. Bennett, we appreciate very much this information.

Mr. BENNETT. Thank you so much, Mr. Chairman.

Mr. DAVIS. Thank you for being with us.

The next agency will be the Small Business Administration and we have from that agency Mr. Robert H. Montgomery, Deputy Administrator.

We are pleased to have you with us, Mr. Montgomery.

STATEMENT OF ROBERT H. MONTGOMERY, DEPUTY ADMINISTRATOR, SMALL BUSINESS ADMINISTRATION

Mr. MONTGOMERY. Thank you, very much, Mr. Chairman.

Mr. Barnes, our Administrator, wanted me to express his regret at not being able to be here this morning. He had certainly hoped to be here.

Mr. DAVIS. Some of us have discussed these matters with Mr. Barnes. He came over and at that time Mr. Murray, Mr. Rees, and I discussed this matter with him. I think we have talked about it

with him and we regret that he could not come today but we are glad to have you and we will be glad to hear your statement.

We appreciate your statement.

Mr. MONTGOMERY. Thank you very much, Mr. Chairman.

If it is the pleasure of the chairman, I have a relatively short statement which I would like to read.

Mr. DAVIS. Very well, proceed.

Mr. MONTGOMERY. Mr. Wendell B. Barnes, Administrator of the Small Business Administration, in his unavoidable absence, has requested me to appear before this subcommittee to describe the duties and responsibilities of the Small Business Administration's 15 regional directors and to request legislation to make 15 supergrade spaces available to this agency so that these regional directors may be employed at a grade 16 level.

The demands placed upon these key SBA officials fully justify a GS-16 allocation. The Civil Service Commission has reviewed three of these positions—Dallas, Kansas City, and Atlanta—and approved a GS-16 classification. In October 1958 the Commission allocated one supergrade space for our Dallas regional director. However, we did not consider it to be administratively sound to assign a grade 16 to only one of the 15 regional directors and so advised the Commission, urging that 15 supergrade spaces be assigned as quickly as they became available. This request for 15 supergrade spaces was predicated on the fact that the duties and responsibilities of each of our regional directors are identical and each has the same delegation of authority from the Administrator. Accordingly, we respectfully request favorable consideration for 15 supergrade spaces for these positions.

Under the Small Business Act this agency is charged with encouraging free competitive enterprise by counseling and assisting the more than 4 million smaller businesses in this Nation. This is not a job that can be performed in Washington. It must be carried out in the areas in which the companies are located under direct supervision of our regional directors.

Congress has assigned a variety of programs to the Small Business Administration. We make loans to small concerns. Last year over 10,000 loan applications were filed in our regional offices. When major disasters strike, we set up emergency field offices and make disaster loans under the supervision of the regional directors. We make loans to State and local development companies to encourage local economic growth.

Mr. DAVIS. What is the nature of the disaster loans you are making? To whom are they made and for what purpose?

Mr. MONTGOMERY. They are made to small businesses that are damaged as a result of hurricanes or floods. We also have excessive rainfall loans.

Mr. DAVIS. They are made to anybody who comes within the definition or the classification of small business?

Mr. MONTGOMERY. Yes, sir.

Through our programs we give aid to surplus labor areas and to low-income underdeveloped rural areas. We help small businesses with their technical and managerial problems.

Mr. DAVIS. What kind of help do you give to the so-called surplus labor areas and the low-income rural areas?

Mr. MONTGOMERY. These are programs where we make our services available to the agencies that have primary responsibility in these programs.

In the rural development areas the Department of Agriculture has primary responsibility, but we make our staff of technicians available.

Mr. DAVIS. Give us an illustration of what you do.

Mr. MONTGOMERY. For example, in the rural development areas, we have consulted with the Department of Agriculture in West Virginia and Kentucky, I believe, and we have made available our industrial specialists, financial specialists, who would try to point out programs for self-help and self-development to improve general economic conditions of the area.

Mr. DAVIS. For instance, in Kentucky you would undertake to show the tobacco growers how to determine the best methods to use?

Tell me what you would do in a case like that.

Mr. MONTGOMERY. If there is a situation in Kentucky in which the tobacco growers are in a state of economic stress, we would do all that we could to point out possible other areas of business activity in that area that could be developed, particularly in that locality.

Mr. DAVIS. You would do that in connection with the Agriculture Department?

Mr. MONTGOMERY. Yes, sir.

Mr. DAVIS. In the surplus labor areas, what would be the nature of your assistance?

Mr. MONTGOMERY. The assistance there, sir, would be generally along the same lines. If it is a surplus labor area, let us say in any State, we would make our facilities available, our industrial specialists, production specialists, financial specialists, and in cooperation with other Government agencies, work as a team and try to develop something that would utilize the capacity of that area.

Mr. DAVIS. Would it be in the nature of setting up any new industries or expanding old industries, lending money, or just what would you do?

Mr. MONTGOMERY. It could be all three, Judge Davis.

Mr. DAVIS. Very well, proceed.

Mr. MONTGOMERY. Here, again, we do not have the primary responsibility. That is the responsibility of the Department of Commerce.

We see to it that small firms receive an opportunity to obtain Government contracts. Last year we set aside over \$1 billion of such contracts for exclusive award to small firms.

These are some of the major programs of the Small Business Administration. There are many others I could mention—the program for the establishment of small business investment companies to make equity capital available to small concerns, for example.

Mr. DAVIS. That is the new law that Congress passed setting up these small business investment companies?

Mr. MONTGOMERY. Yes.

Mr. DAVIS. How has that progressed?

Mr. MONTGOMERY. We have licensed approximately 22 small business investment companies so far.

Mr. DAVIS. Are they confined to one or more sections of the country or are they pretty well distributed over the country?

Mr. MONTGOMERY. I do not think there is any concentration, Judge Davis. However, we do not have them spread throughout the country as yet. There is not a concentration in any one area.

Mr. DAVIS. I have been informed that one or more of them have been set up in Atlanta.

Mr. MONTGOMERY. Yes, sir.

The important thing, however, is that all these programs are not Washington programs. They are programs that must operate in the areas in which the business firms are located.

The responsibilities of our regional directors have increased materially since 1953. Over the years the original agency programs have been enlarged and strengthened. New programs have been added. It has been our policy to decentralize and to delegate to the regional directors maximum authority to act finally on all these programs. Apart from their operating duties, the regional directors are required to act as spokesmen for the small business program, to consult with local financial, industrial and civil groups, colleges, and universities and to deal with top echelon Government officials and important officials of private industry and finance.

This request for 15 supergrades for the regional directors has been discussed with the Bureau of the Budget. We have been advised that, as to the three positions that have been classified as GS-16, the Bureau has no objection to this agency's request. As I have indicated, all 15 regional director positions are identical. However, to date, because no supergrade spaces have been available for assignment, no classification has been made by the Commission of the remaining 12 positions.

That concludes my statement, Mr. Chairman.

Mr. DAVIS. You referred to the three positions that have been classified as GS-16. That was Dallas, Kansas City, and Atlanta?

Mr. MONTGOMERY. Yes, sir.

Mr. DAVIS. The others have not been classified at all by the Civil Service Commission?

Mr. MONTGOMERY. That is right.

Mr. DAVIS. That was not just a spot check of those three positions to apply to all of the regional director positions? They just made those for individual information as to the regional directors in Dallas, Kansas City, and Atlanta?

Mr. MONTGOMERY. Yes, sir.

Mr. DAVIS. What you are saying is that the duties of all of them are the same and they should all be on the same grade level?

Mr. MONTGOMERY. Yes, sir.

Mr. DAVIS. Mr. Gross?

Mr. GROSS. No questions just now.

Mr. DAVIS. What is your current, total employment?

Mr. MONTGOMERY. 2,025, approximately.

Mr. DAVIS. How does that compare with your employment as of 2 years ago?

Mr. MONTGOMERY. Approximately 2 years ago it would have been approximately 1,300 or 1,400.

Mr. DAVIS. That then is 600 or 700 more than you had 2 years ago?

Mr. MONTGOMERY. Yes, sir.

Mr. DAVIS. To what do you attribute that rather sizable increase?

Mr. MONTGOMERY. I think the increasing demand in our loan program is one of the prime reasons for it.

Of course, we have had the new assignment of the small business investment activity under the Small Business Investment Act. I would say that those are the two main reasons, Judge Davis.

Mr. DAVIS. What does your agency do or what has it done toward compliance with the President's directive to reduce your personnel by 2 percent, and to comply with the requests of this subcommittee that efforts be made to reduce it by 10 percent?

Mr. MONTGOMERY. In the last fiscal year we made a saving of 5.7 percent of available funds. That is, salaries and expenses.

We estimated that the cost of the Pay Act, as a result of the Federal employees' pay legislation, to be \$1,167,000 and of this we requested only \$919,800 from the Bureau, which represented a cut of 2.1 percent.

We accomplished these savings by maintaining a rather strict control over the allocation of jobs to the field offices as well as Washington. We only filled jobs where the necessity was clearly demonstrated.

Mr. DAVIS. What controls do you maintain over the filling of positions in the field and at what level of grades do you require them to come in?

Mr. MONTGOMERY. We maintain a central control on that, Judge Davis, in the Controller's Office here in Washington and we allocate jobs based on a system of work measurement, which is rather extensive in our agency, in which we maintain records on the time spent on various functions and the time to complete a unit of work, and when the demonstrated load is there we will allocate positions to that office to perform that work.

Mr. DAVIS. We have tried to get agencies to have a functional survey. Did you have one in your agency?

Mr. MONTGOMERY. I do not believe we did, Judge Davis. I was here once talking to the staff about that. I do not believe we did, sir. I assume you are saying as a result of this subcommittee's efforts?

Mr. DAVIS. Yes.

Mr. MONTGOMERY. We do, of course, make surveys on our own from time to time.

Mr. GROSS. Mr. Chairman.

Mr. DAVIS. Mr. Gross.

Mr. GROSS. Do you have a division of personnel?

Mr. MONTGOMERY. Yes, sir.

Mr. GROSS. That is under your jurisdiction?

Mr. MONTGOMERY. Yes, sir.

Mr. GROSS. Directly?

Mr. MONTGOMERY. Yes, sir.

Mr. GROSS. How many new regional offices have you established in the past year?

Mr. MONTGOMERY. We have not established any in the past year, Mr. Gross.

Mr. GROSS. But you have established field offices?

Mr. MONTGOMERY. Branch offices.

Mr. GROSS. Branch offices?

Mr. MONTGOMERY. Yes, sir.

Mr. GROSS. How many of those?

Mr. MONTGOMERY. Two.

Mr. GROSS. Two new branch offices in the past year?

Mr. MONTGOMERY. Yes, sir.

Mr. GROSS. You have 15 regional offices and how many branch offices?

Mr. MONTGOMERY. Approximately 43.

Mr. GROSS. Forty-three?

Mr. MONTGOMERY. Yes, sir. That includes Alaska, Hawaii, and Puerto Rico.

Mr. DAVIS. We have found, Mr. Montgomery, that good results can be obtained through carrying on these functional surveys. Why have you not carried that out in your agency?

Mr. MONTGOMERY. We have made functional surveys on our own to an extent. For example, we have taken our financial assistance program from the time an applicant comes into one of our field offices until the loan is closed, a step-by-step analysis of the work involved and the forms used and the procedures followed. We have done that type of survey.

Mr. DAVIS. We are going to want to have more detailed dealings with you on that subject and our staff is going to be in touch with you. We certainly would like to have your cooperation.

Mr. MONTGOMERY. We would like to work with you, sir.

Mr. DAVIS. All your regional directors now are grade 15?

Mr. MONTGOMERY. That is right, sir.

Mr. DAVIS. What size staff do you have in each regional office?

Mr. MONTGOMERY. They vary from approximately 70 in our smallest office to approximately 200 in our largest office at the present time.

Mr. DAVIS. Where is your smallest office?

Mr. MONTGOMERY. Our smallest office is in Denver, Colo.

Mr. DAVIS. And your largest is where?

Mr. MONTGOMERY. I believe it is Dallas. It is between Dallas and Atlanta. They are pretty close.

Mr. DAVIS. Is there any difference in the workload between one regional office and another?

Mr. MONTGOMERY. Yes, sir. I think the size of the staff would reflect a difference in workload, Judge Davis. However, the responsibility for all our programs clear across the board is the same in each region.

Mr. DAVIS. Do you have assistant regional directors?

Mr. MONTGOMERY. We had approval by the Bureau of the Budget and our appropriations provided for deputy regional directors this year and we are in the process of filling those at Grade GS-14.

Mr. DAVIS. You have told us to some extent about the additional duties accruing to these regional directors by reason of the establishment of small business investment companies. Have there been any additional duties and responsibilities falling on those regional directors recently?

Mr. MONTGOMERY. Yes, sir. In the last session of Congress we were authorized to set up a property sales and disposal program whereby small business would be afforded an opportunity to bid on the surplus property sales throughout the Government. That is one.

A second program is in the securing of research and development contracts whereby we assist small business in obtaining research and development contracts on an individual basis as to one small business alone, or in the formation of pools of small businesses to perform research and development contracts.

MR. DAVIS. What do you mean by performing research and development contracts?

MR. MONTGOMERY. In the Department of Defense there are many research and development projects. This is an industrial research and development program having to do with missiles or aircraft, for example. Certain ones are suitable to be performed by small business people and we are looking over those contracts and determining, with the Department of Defense, what might be suitable, and trying to have those contracts awarded to small business.

MR. DAVIS. I was wondering if you were setting up a research and development department in your own agency?

MR. MONTGOMERY. No, sir, we are not.

MR. DAVIS. I am glad to hear that because once they are established they grow like mushrooms.

MR. GROSS. Mr. Chairman, may I ask a question?

MR. DAVIS. Mr. Gross.

MR. GROSS. Do you hire consultants?

MR. MONTGOMERY. We have, I think, one consultant on our rolls at the present time. From time to time, for special jobs when we do not have people to perform the work or the work is above the capacity of our people, we do hire consultants but not to any great extent.

MR. GROSS. What would be their work?

MR. MONTGOMERY. Well, for example, on this research and development, this new program assigned to us, we did hire a consultant to help us set it up because we thought it was a very difficult area. We hired a consultant to set the program up and make the initial contacts. I believe he was with us for a period of about 3 months.

MR. GROSS. Can you state who this consultant was? Was it a university or college or private consulting firm or who was it?

MR. MONTGOMERY. He was from private industry. His name escapes me at the moment. I can supply it for the record.

MR. GROSS. That is not too important. He was from private industry?

MR. MONTGOMERY. Yes.

MR. GROSS. And you do not engage a great deal in the hiring of consultants?

MR. MONTGOMERY. That is correct, sir.

MR. GROSS. What are they paid when you hire them?

MR. MONTGOMERY. \$50 a day, I believe.

MR. GROSS. And expenses?

MR. MONTGOMERY. Yes, sir.

MR. DAVIS. This man, I suppose, would have been someone from the investment or banking field?

MR. MONTGOMERY. This particular one was not, Judge Davis. He is an inventor and has been engaged in research and development activities throughout his whole life.

MR. DAVIS. What would be the connection between an inventor in setting up these small business investment companies?

Mr. MONTGOMERY. There would not be any, sir. I was talking about the use of consultants in the research and development program.

Mr. DAVIS. We had been talking about the consultants you engaged to help you set up this department dealing with small business investment concerns.

Mr. MONTGOMERY. I was referring to the research and development program. Perhaps I did misstate that.

Mr. DAVIS. You did not have a consultant, then, in connection with that?

Mr. MONTGOMERY. No, sir; we did not.

Mr. GROSS. I am hazy about this research and development program. Why were you called upon to set up a research and development program?

Mr. MONTGOMERY. We were called upon to set up a program whereby small business could participate in the research and development program as carried out, for example, by the Department of Defense in their missile program.

Mr. DAVIS. But as I understand you have not set up any research and development organization in the Small Business Administration?

Mr. MONTGOMERY. Not to perform research and development.

Mr. DAVIS. They have a program of that nature in the Department of Agriculture.

Mr. MONTGOMERY. That is right.

Mr. DAVIS. And in some other departments, but you do not have a research and development program in the Small Business Administration?

Mr. MONTGOMERY. No, sir. I am sorry if I did not make that clear.

Mr. DAVIS. Mr. Montgomery, are any of these regional director positions schedule C or political appointments or are they all what might be called career people?

Mr. MONTGOMERY. They are all in the career service, Judge Davis.

Mr. DAVIS. Mr. Gross, any questions?

Mr. GROSS. If you receive these additional supergrades would all the regional directors be promoted?

Mr. MONTGOMERY. I think they would; yes, sir.

Mr. DAVIS. Would the deputies be promoted from 14's to 15's or would they retain their present grades?

Mr. MONTGOMERY. We believe if the regional director is allocated at a grade 16 level the proper allocation for a deputy would be grade 15, but there would be no other reallocations in the regional offices.

Mr. GROSS. May I ask, the State of Iowa is in the Kansas City region, is that correct?

Mr. MONTGOMERY. The State of Iowa is in the Chicago region. Up until about 6 months ago it was split between Kansas City and Chicago and based on the recommendation of our regional director it is now under the Chicago office.

Mr. GROSS. How many other States are in that region?

Mr. MONTGOMERY. Part of Wisconsin, part of Illinois, and all of Indiana.

Mr. GROSS. Not all of Illinois?

Mr. MONTGOMERY. That is right. The southern portion of Illinois below St. Louis reports to Kansas City. We have a branch office in St. Louis that serves the southern Illinois area.

Mr. GROSS. Why do you split States? Does that not cause complications?

Mr. MONTGOMERY. The main reason, I believe, Mr. Gross, in setting up the regions and having some of the States split was the question of distance.

Mr. GROSS. I can understand that but it seems to me we have had some trouble——

Mr. MONTGOMERY. With the split in Iowa, sir?

Mr. GROSS. I think it would be better if the States were in total.

Mr. MONTGOMERY. We try to follow State lines as far as we can, Mr. Gross.

Mr. DAVIS. Anything further?

Mr. GROSS. No.

Mr. DAVIS. Mr. Montgomery, thank you very much for this information.

Mr. MONTGOMERY. I appreciate the opportunity.

Mr. DAVIS. The next witness will be Mr. Aubrey Gasque, Assistant Director, Administrative Office of the U.S. Courts.

You may proceed, Mr. Gasque.

**STATEMENT OF AUBREY GASQUE, ASSISTANT DIRECTOR (LEGAL),
ADMINISTRATIVE OFFICE OF THE U.S. COURTS; ACCOMPANIED
BY WILL SHAFROTH, CHIEF, DIVISION OF PROCEDURAL STUDIES
AND STATISTICS**

Mr. GASQUE. Chairman Davis, I will try to make this as brief as possible.

Judge Warren E. Burger of the circuit court of appeals was to appear here this morning. Unfortunately, the court had a motion filed which was rather urgent and the court had to go in session. Judge Burger still plans to come here, if possible, before the hearings close.

With me is Mr. Will Shafroth, Chief of the Division of Procedural Studies and Statistics. The Director is in Alaska.

Let me say, at the outset, that the amendments we propose would not result in an increase of personnel, permanent positions or grades in the Administrative Office.

The purpose of the first amendment, which we would like to see adopted, is merely to change the title of the Assistant Director of the Administrative Office of the U.S. Courts to Deputy Director, to reflect more accurately the level of responsibility assigned and to effect a greater uniformity in title with similar positions in other Federal agencies.

I might say I am not the Assistant Director in this respect. There are three: The Assistant Director for Legal Activities, the Assistant Director for Management, and the Assistant Director to which I refer. That is a statutory position, in the act setting up the Office, and that title would be changed to Deputy Director.

This is a technical amendment, and would not result in an increase in personnel, positions, or expenditures. This proposal was included in a bill, S. 4142, during the last session of Congress and was passed by the Senate, but it was too late to obtain action in the House of Representatives.

I might say parenthetically that the individual concerned is Mr. William Ellis, a long-time Federal employee, for many years with the General Accounting Office. He was there several years as a GS-18 before he came to the Administrative Office. He is well known to your staff.

Mr. DAVIS. Yes.

Mr. GASQUE. The second amendment, which we would like to have included in the bill, and the more important one, would provide the Administrative Office with the authority to hire an expert or consultant on a temporary basis to assist in organizing and conducting the study directed by Congress of the Federal rules of practice and procedure in the fields of civil, criminal, admiralty, bankruptcy, and appeals.

Last year Congress gave this authority to the Judicial Conference of the United States so that it could keep the Federal rules under continuous study. Mr. Forrester handled the rules bill in the House and Senator Eastland handled it in the Senate.

Mr. DAVIS. Let me ask you a question about that. How long has it been since the study and revision was made of rules of practice and procedure in the Federal courts?

Mr. GASQUE. In bankruptcy, somewhere about 1920, although they have tried to improve them on a piecemeal basis all along. In civil and criminal, no study has been made since the rules were adopted in 1935 or 1937. In admiralty, it was somewhere in the twenties.

This does not set up an ad hoc study with a large staff and so on. This merely sets up, you might say, the machinery for keeping the rules under continuous surveillance and study.

Mr. DAVIS. I notice this act provides that the conference shall carry on a continuous study of the rules of practice and procedure now or hereafter in use and so forth.

Mr. GASQUE. Yes, sir.

Mr. DAVIS. You will not want to keep this consultant on a continuous basis, continuous study and employment?

Mr. GASQUE. Not at all.

I might emphasize how this will work. In the first place, the Supreme Court has the duty of developing all the rules of practice and procedure in Federal courts. The Congress felt the Supreme Court was too busy, and also that it is not close enough to what is going on in the courts to develop those rules.

Mr. DAVIS. I agree with you there.

Mr. GROSS. I do not know about that "too busy" statement, but I agree with the judge.

Mr. DAVIS. They are certainly not in touch with things down on the earthly level.

Mr. GASQUE. The Judicial Conference is setting up five committees: civil, criminal, admiralty, bankruptcy, and appeals. Each committee will include judges, private practitioners, and professors. They will be relatively small, I would say 8 or 10 on each committee, but they will be people from all over the country serving without pay and chosen from the bar, from the law schools, and from the judges. The bar associations in every section of the country, the judicial conferences in each circuit, will send proposals for changing the rules up to the respective committees, and then, of those which it is believed

are good, this committee will study them. Then they will send them back to the local bar association, et cetera, to look over, and then they will again come back up. It is at that point, when they come up here and a committee meeting is held for a few days—certainly not more than 3 or 4 days—it is for that time that we need the services of the expert. In the meantime, we will send out to him these various proposals and he will be able to look them over on his own time.

Mr. DAVIS. I was just going to ask if he would be on a paid basis.

Mr. GASQUE. No, sir. But when he is brought to Washington, or wherever the meeting is held, at that time he would be put on a per diem pay basis.

As you know, we have the authority, we have gone to Congress and it has actually given us some money to hire staffmen. But now that we have begun organizing we feel that, even if we hired a staffman, we could not hire one that would qualify as an expert in the whole field. For example, in the criminal field there is a distinguished professor who is an expert in search and seizure but not in the other aspects of the criminal rules. In the civil field, one might be an expert on discovery but not in the other aspects. So in this way, rather than putting a staffman on the payroll for the committee, we would be able to get experts all the year round in the various facets for all five committees for less than it would cost to put one man on full time. We will handle the administration in our office as it is now, so there would be no question of that.

I might say that the committees as they operated before—the civil rules in 1935, and so on—had to hire experts on that basis. At that time, of course, it was under the Supreme Court.

The type of people we would like to have would come from universities and colleges and from private practice, and even if we established GS-17 or 18 positions they would not accept general Government employment. They are more interested in their professions.

One really great merit in this whole rules study, as it has been set up by the Congress, is that it guarantees that the rulemaking authority will not be vested in one hand. That also is a disadvantage in hiring a staffman who might for years represent the attitude of a certain group or who might for years choke off certain ideas and so on.

You are familiar with the authority for experts. Virtually every agency has it.

The Civil Service Commission has been consulted with respect to this and we are authorized by Mr. Irons to state that this request makes good sense; that it is not out of line at all with the present practice in executive departments and agencies; and that, in any event, each individual appointment would be subject to the prior approval of the Civil Service Commission. In other words, each individual appointee would have to meet all the requirements of the Civil Service Commission.

On the \$75 a day per diem, I might say in Government today the pay of experts ranges from \$50 to \$100. We chose \$75 as a maximum, not meaning that we would necessarily pay a man \$75 but that would be the maximum. That is not the top, the top being \$100; and it is not the bottom, the bottom being \$50; but some of the people we might want might have to be paid that much.

In conclusion, I say I think this would get us the best minds in the country on a given subject; we could avoid putting a full-time man on a committee; and we could bring about an actual saving of dollars in getting these experts for a very short time.

Mr. DAVIS. Have you made any estimate as to what the total cost of employing these experts would be?

Mr. GASQUE. We think the total cost would be less than the cost of one staffman for a year. I will go very wide and say this, if a staffman costs \$15,000 a year, this will not cost anything like that, not at all.

I might say, Congressman Gross—he smiles when I make that comment—I was for some time on the staff of the Senate Post Office and Civil Service Committee so I appreciate the aims of the committee. I keep in such close contact with your staff members that I think they would report to you if I got out of line.

Mr. GROSS. There is very fresh in my memory the bill passed a year or two ago to set up a study of international rules of court procedures. At that time they asked for and obtained \$5,000. As I recall the history of it, they came along last year and got \$75,000 more. Then they came in and asked for another \$75,000. I think we stopped them on that additional \$75,000 and the assurance that would be all. They have not even started the survey yet.

So I have to take with some degree of skepticism the statement that some of these things are not going to cost anything. This started at \$5,000 and would have gone to \$150,000 if a couple of us had not taken an interest in the matter.

Mr. GASQUE. I think that with these committees, there is absolutely no occasion, and there will be no occasion, for providing any staff along the line that is suggested by some ad hoc studies. In the first place, it is not an ad hoc study; it is a continuing study; and it is organized with people who will be appointed as a matter of prestige. They will serve on these committees, and the work will be done among the bar associations, the judicial conference, and so forth. It is not to be done primarily by paid personnel, because, I say quite frankly, we could not hire paid personnel to do it. It is an entirely different situation.

Mr. GROSS. In what bill does your appropriation come?

Mr. GASQUE. It would come from the Congress. We would have to justify every dime before the Appropriations Committee.

Mr. BELEN. Is it in the appropriation for the courts?

Mr. GASQUE. It is in this very small appropriation for the Administrative Office. So it is tied down that closely, and Congressman Rooney gives no indication of giving us very much.

Mr. GROSS. In what appropriation is that?

Mr. GASQUE. Justice, for the judiciary. Actually, as I say, this authority to hire experts was in the appropriation bill, but in conference it was felt that it was substantive legislation and should come through here. It was approved in the Senate.

Mr. DAVIS. How many of these experts or consultants is it anticipated you would have on the payroll at one time?

Mr. GASQUE. I could be wrong, but I think many times we will have none on the payroll at all. I think when the committee meetings take place—and that will not be more than twice a year—at that time we will bring a man in for a week.

Mr. DAVIS. Just one man?

Mr. GASQUE. One man for each committee, but even so you have 5 weeks only.

Mr. DAVIS. How many committees are there?

Mr. GASQUE. There are five, sir. In other words, the total employment for those various experts for a year would be less than one staffman. I cannot conceive of it being as much as one staffman.

Mr. DAVIS. You said it would be way less than one staffman?

Mr. GASQUE. Yes. I cannot conceive of its being more than that.

Mr. DAVIS. We thank you very much, Mr. Gasque, for this information.

Mr. GASQUE. Thank you, Mr. Chairman and gentlemen.

(The following prepared statement was submitted for the record:)

PREPARED STATEMENT OF THE ADMINISTRATIVE OFFICE OF THE U.S. COURTS

Mr. Chairman and members of the committee, we appreciate this opportunity of appearing on behalf of the Judicial Conference of the United States, and of the Administrative Office, in support of two amendments to S. 1845 which we are presenting to the committee.

Let me say, at the outset, that the amendments we propose would not result in an increase of personnel, permanent positions or grades in the Administrative Office.

The purpose of the first amendment, which we would like to see adopted, is merely to change the title of the Assistant Director of the Administrative Office of the U.S. Courts to Deputy Director, to reflect more accurately the level of responsibility assigned and to effect a greater uniformity in title with similar positions in other Federal agencies. This is a technical amendment, and would not result in an increase in personnel, positions, or expenditures. This proposal was included in a bill, S. 4142, during the last session of Congress and was passed by the Senate, but it was too late to obtain action in the House of Representatives.

The second amendment, which we would like to have included in the bill, and the more important one, would provide the Administrative Office with the authority to hire an expert or consultant on a temporary basis to assist in organizing and conducting the study directed by Congress of the Federal rules of practice and procedure in the fields of civil, criminal, admiralty, bankruptcy, and appeals [72 Stat. 356]. As you know, such authority was placed by the Senate in H.R. 7343, the appropriations bill, but was deleted in the conference between the House and Senate as involving substantive legislation. This authority would make it possible to hire on occasion an expert or consultant renowned in his respective field of the law, and to fully benefit from his knowledge and experience, without having to place such an individual on the Federal payroll on a permanent basis. Expenditures under this authority would, of course, be minimal.

As the committee knows, the basic authority for the employment of experts and consultants is contained in section 15, Public Law 600 (5 U.S.C. 55a), enacted in 1946, enacted in the interest of uniformity throughout the Government.

The section provides:

"The head of any department, when authorized in an appropriation or other act, may procure the temporary (not in excess of 1 year) or intermittent services of experts or consultants or organizations thereof, including stenographic reporting services, by contract, and in such cases such service shall be without regard to the civil service and classification laws (but as to agencies subject to the Classification Act of 1949 at rates not in excess of the per diem equivalent of the highest rate payable under the Classification Act unless other rates are specifically provided in the appropriation act or other law) and, except in the case of stenographic reporting services by organizations, without regard to section 3709 of the Revised Statutes."

This section now represents the basic general authority to procure and utilize the services of experts and consultants. However, standing alone, the provision grants no authority at all for such employment. It is operative only when the head of any department or agency is authorized by Congress to use the provision.

While the explicit reason for requiring such implementing authority was not stated, obviously the primary objective was to provide a measure of congressional control, reserving to Congress the opportunity to review the requirements of all departments and agencies for such services and to provide such limitations on expert and consultant usage as it might deem advisable.

As of this date, virtually every department and agency in the executive branch does have such authority, both as a means of economy and as a means of obtaining the finest minds in America to perform for the Government what are truly expert services.

In this connection, the Comptroller General has ruled that the term "expert" as used in section 15 of Public Law 600 includes only those persons exceptionally qualified by education and experience in a particular line to perform some special service, and whose services are generally not obtainable under operation of the civil service laws and regulations.

The Civil Service Commission defines an expert as: "a person of excellent qualifications and a high degree of attainment in a professional, scientific, technical, or other field. His knowledge and mastery of the principles, practices, problems, methodology, and techniques of his fields of activity, or of an area of specialization within the field are clearly superior to that usually possessed by persons of ordinary competence in the activity. His attainment should be such that he will usually be regarded as an authority or as a practitioner of unusual competence and skill by other persons engaged in the profession, occupation, or activity."

With this background, we need very much this authority in the Administrative Office in order to handle properly a very highly specialized function which the Congress provided just this past year for the Judicial Conference of the United States. Public Law 85-513, enacted on July 11, 1958 [72 Stat. 356] empowered the Judicial Conference to study and recommend changes in and additions to the rules of practice and procedure in the U.S. courts. That includes the field of admiralty, civil, criminal, bankruptcy, and appeals. Specifically, Public Law 85-513 provides:

"The Conference shall also carry on a continuous study of the operation and effect of the general rules of practice and procedure now or hereafter in use as prescribed by the Supreme Court for the other courts of the United States pursuant to law. Such changes in and additions to those rules as the Conference may deem desirable to promote simplicity in procedure, fairness in administration, the just determination of litigation, and the elimination of unjustifiable expenses and delay shall be recommended by the Conference from time to time to the Supreme Court for its consideration and adoption, modification or rejection, in accordance with law."

Pursuant to this authority, the Judicial Conference included within its appropriation request for the fiscal year 1960, sufficient funds to provide additional staff people to carry on this work, and we believe that, while not all the funds we requested were provided, we have sufficient moneys appropriated to get the continuing study of the rules well underway. However, now that we are in the process of organizing the actual committees, and have the experience of laying the work out, we have come to the conclusion that a full-time staff member for each committee is not what is most practical at all.

In the first place, it is highly doubtful that we could find an expert, from the colleges and universities or from private practice, who would be willing to accept a position at the salary we could offer him in the Administrative Office as a full-time Federal employee.

Secondly, even if we could obtain such an expert, he would be an expert in no more than one phase of a subject. In other words, it is very doubtful that we could find an authority on the whole technical breadth of the civil or criminal rules. More than likely, he would be an expert on a single aspect, say, search and seizure, of the criminal rules; or, he might be an expert on discovery, in the civil rules.

Therefore, what we would need is the authority to hire an expert or consultant on the rules, as needed, to help these committees do their highly technical and complex work. In this way, we could accomplish three things:

1. We could assure that the best minds in this country were being placed on a given subject when it was up for consideration by one of the rules committees;
2. We could avoid putting on the payroll a full-time staff attorney for each of these committees; and, finally,

3. We could bring about an actual savings of dollars, because we could avail ourselves of the services of several experts on a temporary or intermittent basis during the course of a year for less money than it would cost to hire one high-grade attorney full time.

In conclusion, let me say that the Civil Service Commission has been consulted, by way of an informal discussion with Mr. Warren Irons, the Executive Director of the Commission, and we are authorized by Mr. Irons to state (1) that this request makes good sense; (2) that it is not out of line at all with the practice in executive departments and agencies; and (3) that, in any event, each individual appointee would be subject to the prior approval of the Civil Service Commission. In other words, this amendment would not open the gates for us at all, but we would be required to comply with regulations and have the approval of the Civil Service Commission in each case. It would not, and could not, be the subject of abuse.

Mr. GROSS. Mr. Chairman, may I also submit for the record a statement by Congressman H. Carl Andersen of Minnesota in connection with yesterday's testimony in respect to the Department of Agriculture.

Mr. DAVIS. That will be entered in the record at this point.
(The statement referred to follows:)

STATEMENT OF HON. H. CARL ANDERSEN, A REPRESENTATIVE IN CONGRESS FROM
THE STATE OF MINNESOTA

Mr. Chairman and members of the committee, I appreciate very much your courtesy in receiving this statement from me. I served on this committee in my early years in the Congress so I know something about the great responsibilities you bear.

I will be brief, Mr. Chairman, because I know your time is extremely limited and I am hopeful that witnesses you have heard from the U.S. Department of Agriculture have laid before you all of the information necessary for you to arrive at a proper decision.

My purpose in coming before you today is to join in the request for legislation to provide a total of 46 Public Law 313 positions in the research programs of the U.S. Department of Agriculture. With your approval of the request, the Department would have available 41 authorizations in addition to the 5 they now have.

My concern, Mr. Chairman, is based on my years of experience as a member of the Agriculture Appropriations Subcommittee and I assure you it is a real concern. The utilization, soils, forest, production, and other research programs in which I am interested call for the appropriation of more than \$100 million a year. The results of that research are directly applied to other programs involving expenditures of public and private funds running into several hundred millions annually.

Our great conservation programs are a good example. At least a billion dollars a year is being spent to conserve our precious soil and water resources—about half of this being appropriated funds. We know that some things are being done wrong, while other techniques and practices are far from perfect. Research holds the answer for farmers, technicians, and all others involved in this great conservation effort. Research is the cornerstone on which all these programs and activities are based.

The U.S. Department of Agriculture maintains five big regional research laboratories. We are appropriating \$3.5 to \$4 million for each of these with 400 to 450 employees in each laboratory. The directors are classified GS-15 and if I am any judge of their abilities and responsibilities I am sure men in comparable industry jobs are paid at least \$25,000 or \$30,000 a year. We know we cannot match industry, but we also know that equity demands that we at least go part way.

Another example is crops research. This year we appropriated almost \$14 million for this work, which bears directly upon billions of dollars worth of crops. This program includes 1,545 employees in at least 150 different locations throughout the United States. Think, if you will, of the tremendous responsibilities involved in the administration of this vast research program and of the value of research results to agriculture, our basic industry.

These are but a few illustrations I could present in support of the request. In addition to the questions of equity involved there are, of course, the morale, recruitment, and retention problems which all of us know plague Government research wherever it may be.

Beyond these factors there is an additional very serious problem as I see it. In the absence of the authority requested of you today, the promotional line in agricultural research has been up through the organization. In other words, a man could be the greatest scientist on earth but the only way he could get a promotion would be for him to take on one of the top administrative jobs. As a result, the top administrative jobs—the desk jobs with all that is involved in administration—are now occupied by scientists. I believe it is absolutely essential to our agricultural research program that a means be provided to raise the pay of our dedicated scientists in the laboratories without requiring those men and women to trade their test tubes for desk blotters.

These scientists, as you know, are dedicated people. I have talked to many of them in their laboratories and others appear each year before my subcommittee. They have not asked me for a raise because they are so completely involved in their great work that they utilize all of their time with me talking about scientific projects. It is in our own national interest, Mr. Chairman, that I say we should do something about this salary problem. Most of these scientists will probably stay on the job whether you approve this request or not, but they have individual responsibilities and there is a limit to the sacrifices we should ask them to make.

One final point, Mr. Chairman. Several committees of Congress are deeply concerned about our agricultural research program. Many individual Members share this concern and have introduced legislation to authorize vast new research undertakings. If you have had the time to review these bills you know that they provide as many as 100 supergrade positions, because their authors know this will be necessary to recruit the necessary scientists. I personally believe we should build any new agricultural research programs around the ones we now have and that is why I have not joined the crusade for new research legislation. However, I also believe approval of the request before you is absolutely essential to the proper development of existing programs and that is why I am addressing this appeal to you. I most earnestly hope this request meets with your approval.

Mr. DAVIS. That is all the witnesses we have today.

The committee will stand adjourned and we will set an executive session at some time later.

(Thereupon, at 11:20 a.m., the committee adjourned, subject to the call of the Chair.)

X

LEGISLATIVE HISTORY

Public Law 86-370
S. 1845

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DIGEST OF PUBLIC LAW 86-370

ADDITIONAL PUBLIC LAW 313 POSITIONS AND SALARY INCREASES FOR CERTAIN POSITIONS. Includes the following provisions:

Increases the salaries of the Administrative Assistant Secretaries of Agriculture, Interior, Labor, and Treasury, and the Administrative Assistant Attorney General, to \$19,000 per annum, effective the first pay period after enactment of this Act. Authorizes the Secretary of Agriculture to establish not more than 15 scientific research and development positions in the Department under the provisions of Public Law 313, 80th Congress, within a salary range of \$12,500 to \$19,000 per annum (this represents an increase of 10 such positions for this Department). Removes the position of Administrator of the Agricultural Research Service from the Executive Pay Act of 1956, and permits his salary to be fixed at not to exceed \$19,000 under Public Law 313, effective the first pay period after enactment of this Act. Authorizes an additional 5 (up to a total of 10) Public Law 313 positions for the Department of Health, Education, and Welfare. Authorizes the Secretary of the Treasury to establish 114 additional positions in that Department in grades GS-16, GS-17, and GS-18, on a graduated scale during 1960 and 1961. Reduces the number of positions in grades GS-16 (from 1483 to 1429), GS-17 (from 397 to 371), and GS-18 (from 157 to 153) which are available for allocation by the Civil Service Commission to Government departments and agencies (this is due in part to the allocation of additional positions to the Treasury Department).

S. 1845

IN THE SENATE OF THE UNITED STATES

APRIL 30, 1959

Mr. JOHNSTON of South Carolina (by request) introduced the following bill; which was read twice and referred to the Committee on Post Office and Civil Service

A BILL

To amend title 35 of the United States Code relating to patents.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the second paragraph of section 3 of title 35 of the
4 United States Code is amended by adding thereto the fol-
5 lowing sentence:

6 “The Secretary of Commerce is authorized, without re-
7 gard to the provisions of the Classification Act of 1949, as
8 amended, to fix the annual rates of basic compensation of the
9 examiners-in-chief, subject to the approval of the Civil
10 Service Commission, at rates not exceeding the maximum
11 rate now or hereafter prescribed by law for employees of

1 the classes described in the first section of the Act entitled
2 'An Act to authorize the creation of additional positions in
3 the professional and scientific service in the War and Navy
4 Departments', approved August 1, 1947 (61 Stat. 715),
5 as amended."

86TH CONGRESS
1ST SESSION

S. 1845

A BILL

To amend title 35 of the United States Code
relating to patents.

By Mr. JOHNSTON of South Carolina

APRIL 30, 1959

Read twice and referred to the Committee on Post
Office and Civil Service

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For Department
Staff Only)

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For actions of July 9, 1959
86th - 1st, No. 115

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HIGHLIGHTS: Senate passed: Public works appropriation bill. TVA self-financing bill.

SENATE

1. PUBLIC WORKS APPROPRIATION BILL, 1960. Passed, 82 to 7, as reported this bill, H. R. 7509 (pp. 11918-29). Rejected, 17 to 72, a motion by Sen. Williams, Del., to recommit the bill to the Appropriations Committee with instructions to report it back in a smaller amount (pp. 11924-8). Conferees were appointed (p. 11929). House conferees have not yet been appointed. Sen. Williams, Del., criticized appropriations for new reclamation projects, stating that "a substantial part of that will be used to bring into production, through irrigation, new land to produce more crops of which we have a surplus", and others defended these projects (pp. 11923-4).
2. ELECTRIFICATION. Passed with amendments H. R. 3460, to amend the TVA Act of 1933 so as to provide for the issuance of revenue bonds by TVA to finance additions to its power system (pp. 11879-918). Rejected, 17 to 78, a motion by Sen. Cotton to recommit the bill to the Public Works Committee (pp. 11910-13). Sen. Goldwater offered, and later withdrew, an amendment to establish a commission, composed of two representatives each from labor, the public, private utilities, and the REA, to study "the recommendations of the Hoover Commission that the TVA be disposed of to private utilities" (pp. 11908-10).

3. PERSONNEL. The Post Office and Civil Service Committee reported with amendments S. 1845, to amend title 35 of the U. S. Code so as to authorize the Secretary of Commerce to fix the annual rates of basic compensation of examiners-in-chief of patents, subject to approval of the Civil Service Commission (S. Rept. 488). p. 11866
4. CONSERVATION. Sen. Humphrey inserted a letter from the executive director of the American Veterans Committee supporting his bill, S. 812, to establish a Youth Conservation Corps. p. 11877
5. WATER RESOURCES. Sen. Cooper stated that "full development of our water resources and their conservation, is necessary for the progress and development of our country." p. 11944
6. LEGISLATIVE PROGRAM. Sen. Johnson announced that the defense appropriation bill will be considered Mon., July 13. p. 11929
7. ADJOURNED until Mon., July 13. p. 11945

HOUSE

8. PERSONNEL. A subcommittee of the Government Operations Committee voted to report to the full committee with amendment H. R. 5196, to increase the maximum rates of per diem allowance for Government employees traveling on official business. p. D590

Earlier in the day, in testimony before the Committee, Assistant Director Finan, of the Budget Bureau, made recommendations which he summarized as follows:

- (1) Increase the statutory maximum per diem allowance for subsistence for regular civilian employees and WAE's from \$12.00 to \$14.00.
- (2) Maintain the present statutory maximum per diem allowance of \$15.00 for persons serving under the Administrative Expenses Act without compensation or at \$1.00 per annum.
- (3) Maintain the present \$25.00 a day statutory ceiling on reimbursement on the actual subsistence expense basis.
- (4) Maintain the present statutory maximum mileage allowance -- 6 cents for motorcycles and 10 cents for automobiles and airplanes.
- (5) Continue the existing arrangements for establishing maximum per diem allowances in Alaska and Hawaii.
- (6) Enact authority to reimburse employees for actual and necessary parking fees when using their private vehicles on official Government business.

One copy of the testimony is available for reference purposes in the Division of Legislative Reporting, of this office, room 105-A.

9. HOUSING. Rep. Roosevelt criticized the President for vetoing S. 57, the housing bill. pp. 11975-6
10. INTEREST RATES. Rep. Johnson, Colo., asserted his opposition to the reported action of the Ways and Means Committee approving a bill to allow the Treasury to offer certain long-term Government bonds at interest rates above the existing ceiling, stated that the enactment of such a bill "will raise the cost of credit to small business and to farmers," and inserted an article on the subject. pp. 11961-2
11. FISHERIES. The Merchant Marine and Fisheries Committee voted to report (but did not actually report) H. R. 2398, to provide for the establishment of a fish hatchery in northwestern Pa. by the Secretary of the Interior; and H. R. 5854, to amend the Black Bass Act to allow the interstate transportation of certain fish. p. D591

ADJUSTING THE PAY OF CERTAIN EXECUTIVE POSITIONS

JULY 9, 1959.—Ordered to be printed

Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service, submitted the following

R E P O R T

[To accompany S. 1845]

The Committee on Post Office and Civil Service, to whom was referred the bill (S. 1845) to amend title 35 of the United States Code relating to patents, having considered the same, report favorably thereon with amendments and recommend that the bill, as amended, do pass.

AMENDMENTS

The committee amendments provide a new and more appropriate title for the bill and strike out all of the bill after the enacting clause and substitute in lieu thereof a new text which appears in the reported bill in *italic type*.

PURPOSE

The purpose of S. 1845, as reported, is to provide: an increase in the compensation of the examiners-in-chief and the designated examiners-in-chief in the Patent Office in the Department of Commerce who are appointed to or designated to serve as members of the Board of Appeals; increases in the compensation of the three Administrative Assistant Secretaries in the Departments of Agriculture, Labor, and Commerce, respectively, and one Administrative Assistant Attorney General in the Department of Justice; and, an increase from GS-16 to GS-17 of three positions in the Bureau of Prisons.

JUSTIFICATION

(a) *Examiners-in-chief and designated examiners-in-chief in the Patent Office*

Presently, the salaries of these positions are fixed in accordance with the Classification Act of 1949, as amended, and are in grade GS-15, \$12,770 to \$13,970. The bill, as amended, would permit the

fixing of rates of pay at not in excess of the top of grade GS-17 which at the present time is \$16,335.

In the official request for this action which was approved by the Bureau of the Budget, the following table listing the top-level positions in the order of relative importance of their duties and responsibilities was submitted to show the inequity to be corrected:

Commissioner of Patents.....	\$20, 000
First Assistant Commissioner.....	17, 500
Examiners in chief ¹	13, 970
Solicitor.....	15, 150
Director, Patent Research.....	15, 615

¹ To be increased by the bill to not to exceed \$16,335.

The Board of Appeals is comprised of not to exceed 15 examiners in chief, who are appointed by the President, by and with the advice and consent of the Senate. In addition to the regular examiners in chief, a number of designated examiners in chief perform the functions of the Board of Appeals. Both the regular and designated examiners in chief are covered by the bill.

The committee believes that in the interest of equity the adjustment provided by the bill is necessary and proper.

(b) *Administrative Assistant Secretaries*
Administrative Assistant Attorney General

Traditionally, these positions have ranked just below Assistant Secretaries in the matter of pay. When Assistant Secretaries received \$15,000 the pay of these positions was fixed at \$14,000 a part of the time and at \$14,800 the remainder of the time. The Executive Pay Act of 1956 increased the compensation of Assistant Secretaries to \$20,000 but did not adjust the pay of these positions in a manner to maintain the standing relationship between the two categories of positions. This bill would reinstate that relationship by raising the pay of these positions to \$19,000 as compared to \$20,000 for Assistant Secretaries.

Although the position of Administrative Assistant Secretary of Interior is included in the language of the bill, it would have no effect on the salary of this position because Public Law 85-167, section 205, of August 26, 1957, increased the compensation of this position to \$19,000.

(c) *Bureau of Prisons*

The bill would authorize an increase in the compensation of three positions in the Bureau of Prisons from GS-16 to GS-17. The positions are those of the three Assistant Directors of the Bureau of Prisons. The adjustment authorized by the bill is necessary to maintain a proper salary alignment of the top positions within the Bureau.

CHANGES IN EXISTING LAW

In compliance with subsection 4 of Rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (new matter is printed in italics, existing law in which no change is proposed is shown in roman):

SECTION 202 OF THE CLASSIFICATION ACT OF 1949, AS AMENDED

* * * * *

SEC. 202. This Act (except title XII) shall not apply to:

* * * * *

(34) *examiners-in-chief and designated examiners-in-chief in the Patent Office in the Department of Commerce.*

SECTION 3 OF TITLE 35, UNITED STATES CODE

§ 3. Officers and employees

A Commissioner of Patents, one first assistant commissioner, two assistant commissioners, and not more than fifteen examiners-in-chief shall be appointed by the President, by and with the advice and consent of the Senate. The assistant commissioners shall perform the duties pertaining to the office of commissioner assigned to them by the Commissioner. The first assistant commissioner, or, in the event of a vacancy in that office, the assistant commissioner senior in date of appointment, shall fill the office of Commissioner during a vacancy in that office until a Commissioner is appointed and takes office. The Secretary of Commerce, upon the nomination of the Commissioner in accordance with law, shall appoint all other officers and employees. *The Secretary of Commerce is authorized to fix the rates of basic compensation of examiners-in-chief and designated examiners-in-chief in the Patent Office, at per annum rates not in excess of the maximum scheduled per annum rate of compensation provided for positions in grade 17 of the General Schedule under the Classification Act of 1949, as amended.*

The Secretary of Commerce may vest in himself the functions of the Patent Office and its officers and employees specified in this title and may from time to time authorize their performance by any other officer or employee.

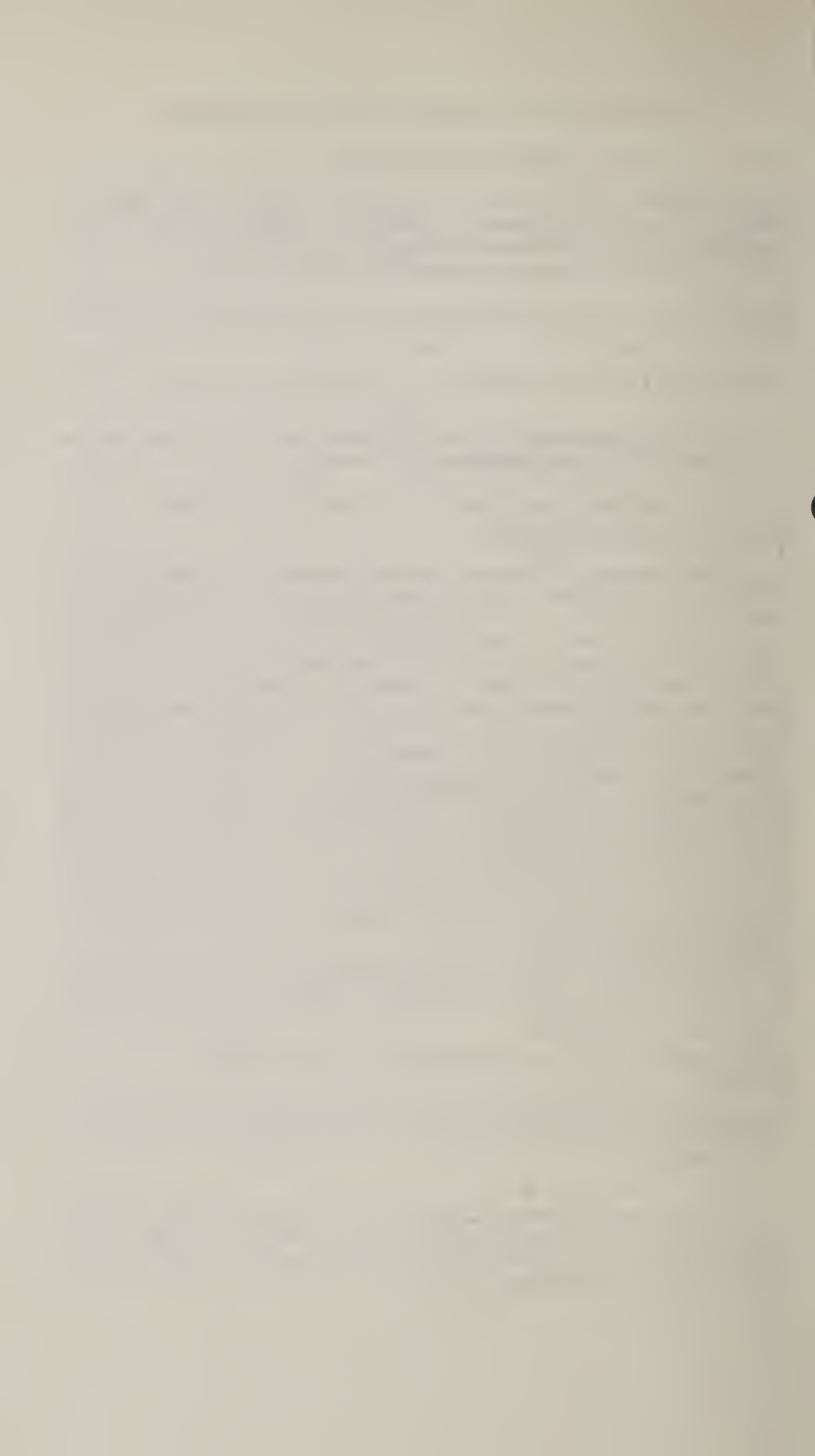
The annual rate of compensation of the Commissioner shall be \$20,000.

SECTION 505 OF THE CLASSIFICATION ACT OF 1949, AS AMENDED

SEC. 505. * * *

* * * * *

(j) *The Attorney General is authorized to place a total of three positions in the Bureau of Prisons in grade 17 of the General Schedule. Such positions shall be in addition to the number of positions authorized to be placed in such grade by subsection (b).*



Calendar No. 485

86TH CONGRESS
1ST SESSION

S. 1845

[Report No. 488]

IN THE SENATE OF THE UNITED STATES

APRIL 30, 1959

Mr. JOHNSTON of South Carolina (by request) introduced the following bill; which was read twice and referred to the Committee on Post Office and Civil Service

JULY 9, 1959

Reported by Mr. JOHNSTON of South Carolina, with amendments

[Strike out all after the enacting clause and insert the part printed in italic]

A BILL

To amend title 35 of the United States Code relating to patents.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the second paragraph of section 3 of title 35 of the
4 United States Code is amended by adding thereto the fol-
5 lowing sentence:

6 “The Secretary of Commerce is authorized, without re-
7 gard to the provisions of the Classification Act of 1949, as
8 amended, to fix the annual rates of basic compensation of the
9 examiners-in-chief, subject to the approval of the Civil
10 Service Commission, at rates not exceeding the maximum
11 rate now or hereafter prescribed by law for employees of

1 the classes described in the first section of the Act entitled
2 'An Act to authorize the creation of additional positions in
3 the professional and scientific service in the War and Navy
4 Departments', approved August 1, 1947 (61 Stat. 715),
5 as amended."

6 That section 202 of the Classification Act of 1949, as
7 amended (5 U.S.C. 1082), is amended by redesignating the
8 paragraph thereof which was added by the Defense Depart-
9 ment Overseas Teachers Pay and Personnel Practices Act as
10 paragraph (33), and by changing the period at the end of
11 such subsection to a semicolon and adding the following new
12 paragraph:

13 " (34) examiners-in-chief and designated examiners-
14 in-chief in the Patent Office in the Department of Com-
15 merce."

16 SEC. 2. The first paragraph of section 3 of title 35,
17 United States Code, is amended by adding at the end thereof
18 the following new sentence: "The Secretary of Commerce is
19 authorized to fix the rates of basic compensation of examiners-
20 in-chief and designated examiners-in-chief in the Patent
21 Office, at per annum rates not in excess of the maximum
22 scheduled per annum rate of compensation provided for
23 positions in grade 17 of the General Schedule under the
24 Classification Act of 1949, as amended."

1 *SEC. 3. The enactment of the amendments made by the*
2 *first section and section 2 of this Act shall not affect—*

3 *(1) any position of examiner-in-chief in the Patent*
4 *Office in the Department of Commerce existing immedi-*
5 *ately prior to the date of enactment of this Act,*

6 *(2) the compensation attached to such position of*
7 *examiner-in-chief, or*

8 *(3) any incumbent of such position, his appointment*
9 *thereto, or his right to receive the compensation attached*
10 *thereto.*

11 *until appropriate action is taken under authority of the*
12 *amendment made by section 2 of this Act.*

13 *SEC. 4. (a) The rate of basic compensation of the Ad-*
14 *ministrative Assistant Attorney General, the Administrative*
15 *Assistant Secretary of the Interior, the Administrative As-*
16 *stant Secretary of Agriculture, the Administrative Assist-*
17 *ant Secretary of Labor, and the Administrative Assistant*
18 *Secretary of Treasury shall be \$19,000 per annum.*

19 *(b) Section 505 of the Classification Act of 1949, as*
20 *amended, is amended by adding at the end thereof a new*
21 *subsection as follows:*

22 *“(j) The Attorney General is authorized to place a total*
23 *of three positions in the Bureau of Prisons in grade 17 of*
24 *the General Schedule. Such positions shall be in addition*

1 *to the number of positions authorized to be placed in such*
 2 *grade by subsection (b)."*

Amend the title so as to read: "A bill to provide for the establishment of rates of basic compensation for certain positions in the Patent Office in the Department of Commerce, and for other purposes."

Calendar No. 485

86TH CONGRESS
1ST SESSION

S. 1845

[Report No. 488]

A BILL

To amend title 35 of the United States Code relating to patents.

By Mr. JOHNSTON of South Carolina

APRIL 30, 1959

Read twice and referred to the Committee on Post Office and Civil Service

JULY 9, 1959

Reported with amendments

13. FOOD FOR PEACE. Sen. McCarthy inserted an editorial endorsing Sen. Humphrey's food for peace plan. pp. 11993-4
14. SOIL CONSERVATION; SOIL BANK. Sen. Langer inserted three resolutions of the North Dakota Wildlife Federation as follows: (1) that the Soil Conservation Service be urged to place more emphasis on land use practices designed to increase soil permeability and the storage potential of natural reservoirs, and less emphasis on development of floodways and retention dams; (2) that Congress be urged to terminate drainage as a practice qualifying for SCS engineering or Federal cost assistance; and (3) that Congress be urged to perpetuate the conservation reserve program of the Soil Bank Act by extending the authority of the act past 1960 and authorizing funds adequate to meet the objective of this program. p. 11980
15. TURKEYS. Sen. Langer inserted a letter he received from the President of the N. Dak. Turkey Federation opposing S. 1395, to provide for turkey marketing orders. pp. 11980-1
- PERSONNEL. In reporting S. 1845 on July 9, the Senate Post Office and Civil Service Committee added a provision to increase the salaries of the Administrative Assistant Secretaries to \$19,000.

ITEMS IN APPENDIX

17. WILDLIFE; RESEARCH. Extension of remarks of Rep. Metcalf inserting an editorial favoring his proposed bill to increase the scope and value of the research now being conducted to determine the effect of pesticides upon fish and wildlife resources. pp. A5964-5
18. CIVIL DEFENSE. Extension of remarks of Sen. Young, Ohio, inserting an editorial criticizing the civil defense program. p. A5969
Rep. Sikes inserted an address by Leo A. Hough, director of OCDM, discussing the similarity between natural disaster and over-all civil defense activities. pp. A6012-3
- FARM PROGRAM. Extension of remarks of Rep. Johnson, Wis., commending and inserting an address by Sen. Humphrey before an electric coop in which he included his proposed "farmer's bill of rights." pp. A5973-6
Sen. Carlson inserted Paul Walther's, Weber Flour Mills Co., address, "Proposed Solution of the Farm Problem." pp. A5979-80
Extension of remarks of Rep. Berry stating that the problem confronting agriculture today is "the result of 22 years of reciprocal trade," and inserting excerpts from an address by the So. Dak. secretary of agriculture on this subject. p. A5989
Sen. Langer inserted an article, "Agribusiness Outlook." pp. A5997-8
Rep. Arends inserted the testimony of the president of the Ill. Canning Co. before the House Agriculture Committee. pp. A6001-2
20. MILK. Extension of remarks of Rep. Johnson, Wis., commending and inserting an editorial on the cause and effect of the recently adopted Federal milk marketing order for the D. C. area. pp. A5977-8
21. FARM MACHINERY. Extension of remarks of Sen. Langer inserting a GTA radio roundup discussing the effects of the "overpurchase" of farm machinery. p. A5978

22. WATER DEVELOPMENT. Sen. McClellan inserted a speech by Elmer Staats of the Budget Bureau, on "Effect of the New Budget on Water Resource Development," calling for "orderly development" of our water and land resources, and stating that the budget balances all needs within the means available. pp. A5991-2
23. ELECTRIFICATION. Rep. Bow inserted an article stating that private power companies are able to provide power for AEC about as cheaply as TVA does. pp. A6013-4
Extension of remarks of Rep. Evins urging support of H. R. 3460, the TVA self financing bill. p. A6016
Rep. Utt criticized Senate action on H. R. 7509, the public works appropriation bill, in raising the amount available for the construction of Federal powerplants on the Trinity River, Calif. p. A6018
Extension of remarks by Rep. Gubser urging the joint (private and public) development of the power projects on the Trinity River and insertion of several statements supporting this position. pp. A6021-2
24. LANDS. Rep. Berry inserted a letter from the director of the North Dakota Economic Development Commission urging support of any program to improve job opportunities for Indians. He stated the letter show the "need" for a bill such as H. R. 7701, his operation Bootstrap, Indian self-help bill. pp. A6017-8
25. MUTUAL SECURITY. Rep. Bolton inserted an editorial warning of the "potentially dangerous reduction" in the mutual security program for 1959 (H. R. 7500). pp. A6019-20
26. HOUSING. Rep. Porter inserted an editorial criticizing the President for vetoing S. 57, the housing bill for 1959. p. A6022

BILLS INTRODUCED

27. SURPLUS PROPERTY. S. 2367, by Sen. McCarthy, to provide that certain surplus property of the United States may be donated for park or recreational purposes; to Government Operations Committee.
H. R. 8182, by Rep. Monagan, to amend the Federal Property and Administrative Services Act of 1949 to permit the donation of foreign excess property for educational and health purposes in certain cases; to Government Operations Committee.
28. HOUSING. H. R. 8181, by Rep. McDonough, and H. R. 8190, by Rep. Widnall, to extend and amend laws relating to the provisions and improvements of housing and the renewal of urban communities; to Banking and Currency Committee.
Remarks of Rep. McDonough. pp. 12055-60
29. FOREST ROADS. H. R. 8179, by Rep. Johnson, Calif., to authorize the appropriation of funds for carrying out provisions of section 23 of the Federal Highway Act, to enable the Secretary of Agriculture to construct timber access roads; to permit maximum economy in harvesting national forest timber; to Public Works Committee.
30. PUBLIC WORKS. S. 2360, by Sen. McClellan, to amend the act entitled "An Act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes," approved July 24, 1946; to Public Works Committee.

9. HOUSING. Agreed to a motion by Sen. Johnson to refer the President's veto message on S. 57, the housing bill, to the Banking and Currency Committee, stating that the Housing Subcommittee "plans to hold only hearings in connection with the veto message." p. 12234
Sens. Johnson, Sparkman, Dodd, and others criticized the President's veto of the housing bill. pp. 12185-6, 12261-73
10. PERSONNEL. Passed over, at the request of Sen. Keating, S. 1845, to authorize the Secretary of Commerce to fix the annual rates of basic compensation of examiners-in-chief of patents, including a provision to increase the salaries of the Administrative Assistant Secretaries to \$19,000. p. 12255
11. FARM LABOR. Sen. McCarthy commended the Attorney General for upholding "the right of the Secretary of Labor to set certain conditions of wage, working and living conditions for domestic migratory workers," and inserted two articles discussing migratory labor conditions. pp. 12277-8
Sen. Langer inserted a letter from the executive secretary of the Red River Valley Potato Growers Assoc. opposing legislation to exempt "farm enterprises with less than 2,244 man-days of hired farm labor" from the Fair Labor Standards Act. p. 12178
12. EGGS. Sen. Langer inserted a letter he received critical of the low price of eggs. p. 12178
13. LEGISLATIVE PROGRAM. Sen. Johnson announced that the following bills may be considered at any time: S. 314, to direct the Secretary of Agriculture to make available to textile mills CCC surplus cotton at reduced prices, and S. 2162, the employee health insurance bill. pp. 12198, 12276

HOUSE

14. PERSONNEL. The Government Operations Committee voted to report (but did not actually report with amendment) H. R. 5196, to increase the maximum rates of per diem allowance for Government employees traveling on official business. The "Daily Digest" states that the release date on the report will be July 16 at 6 p.m. p. D613
15. AREA REDEVELOPMENT. Rep. Flood inserted a commentary by the Area Employment Expansion Committee critical of the signers of the minority report of the House Banking and Currency Committee who "while giving a grudging preference to the administration proposal," the commentary states, are opposed to the "whole principle of area redevelopment." pp. 12310-1
16. PUBLIC WORKS. The Rules Committee reported a resolution for the consideration of H. R. 7634, to authorize the construction, repair, and preservation of certain public works on rivers and harbors for navigation and flood control. p. 12313
17. CIVIL DEFENSE. Rep. Holifield and others discussed our civil defense preparedness and fallout, and Rep. Holifield stated that "if the Federal Government gives the leadership in the passive defense field as it is giving in the military defense field today, then the problem [of adequate civil defense] will be met," while Rep. Wolf argued that "our food abundance should be considered in our national defense budget ... and must not be used as a price depressant club to be held over the heads of our farmers." pp. 12302-10

18. INFLATION. Rep. Schwengel and others discussed inflation and Rep. Schwengel stated that "it is tragic ... that many people have come to think that a free enterprise system cannot maintain a vigorous rate of growth without a continuously upward-moving price level." pp. 12297-300
19. FORESTRY. The Interstate and Foreign Commerce Committee reported a study on pulp, paper, and board supply demand newsprint outlook (H. Rept. 671). p. 12313
20. MINERALS; LANDS; LEASING. The Interior and Insular Affairs Committee voted to report (but did not actually report) (1) H. Con. Res. 177, declaring the sense of Congress on the depressed domestic mining and mineral industries affecting public and other land; (2) H. R. 5849, to modify conditions under which Alaska may select lands made subject to lease, permit, license, or contract; and (3) with amendment H. R. 6939, to amend the act providing for the leasing of coal lands in Alaska in order to increase the acreage limitation in such act. p. D613
21. ADMINISTRATIVE AGENCIES. A subcommittee of the Judiciary Committee voted to report to the full committee H. R. 7559, to provide for reasonable notice of application to the U. S. courts of appeals for interlocutory relief against the orders of certain administrative agencies. pp. D613-4
22. LEGISLATIVE PROGRAM. Rep. McCormack stated that H. R. 7634, to authorize the construction, repair, and preservation of certain public works on rivers and harbors for navigation and flood control would be considered today (July 16) and that possibly the conference report on H. R. 7634, the military construction authorization bill would be considered this week. p. 12292

ITEMS IN APPENDIX

23. WATER RESOURCES. Sen. Holland commended and inserted an address by Brig. Gen. John L. Person, Asst. Chief of Engineers for Civil Works, "Water Resource Development and National Security." pp. A6081-3
24. FORESTS. Sen. Neuberger inserted an editorial, "The U. S. National Forests: The Greatest Good of the Greatest Number in the Long Run," paying "deserved tribute to the beauties of our U. S. national forests and to the dedicated men and women of the career ranks of the Forest Service who supervise and operate them." p. A6085
25. WHEAT. Extension of remarks of Sen. Engle inserting an editorial (which includes a letter by Rep. Albert), "Letters to the Times -- Wheat Legislation Upheld -- Vetoed Bill Said To Reduce Costs, Reverse Surplus Buildup." pp. A6085-6
26. RECLAMATION. Various insertions and extension of remarks on the proposed Trinity River project. pp. A6088, A6122, A6123-4
27. CORN. Extension of remarks of Sen. Martin inserting the text of a booklet, "Clean Corn Will Pay Dividends," and stating that "it is an excellent factual presentation of the benefits which will derive to farmers from keeping stored corn clean, and free from rodents and insects." pp. A6100-1
28. FARM LABOR. Extension of remarks of Rep. Roosevelt expressing concern "for the wages, working conditions, housing, and health standards of farm labor in our country, especially the laborers who are hired for seasonal work on the large

PAYMENT OF VETERANS BENEFITS TO VETERANS DISCHARGED AS ALIENS

The bill (H.R. 3269) to authorize the payment of veterans benefits to certain veterans who were discharged as aliens was considered, ordered to a third reading, read the third time, and passed.

RECOVERY OF COSTS OF BUILDING SPACE UTILIZED BY THE VETERANS' CANTEN SERVICE

The bill (H.R. 5446) to provide for the recovery of costs of building space utilized by the Veterans Canteen Service in the Veterans' Administration was considered, ordered to a third reading, read the third time, and passed.

OPERATION OF VETERANS' ADMINISTRATION OFFICE IN THE PHILIPPINES

The bill (H.R. 5447) to extend the authority of the Administrator of Veterans' Affairs to maintain offices in the Republic of the Philippines was considered, ordered to a third reading, read the third time, and passed.

SUSPENSION OF DUTIES ON METAL SCRAP

The bill (H.R. 6054) to continue until the close of June 30, 1960, the suspension of duties on metal scrap, and for other purposes was considered, ordered to a third reading, read the third time, and passed.

BILL AND CONCURRENT RESOLUTIONS PASSED OVER

The bill (H.R. 137) to allow a deduction, for Federal estate tax purposes, in the case of certain transfers to charities which are subjected to foreign death taxes was announced as next in order.

Mr. HART. Mr. President, by request, I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

The concurrent resolution (S. Con. Res. 46) authorizing the printing of additional copies of the joint committee print entitled "Federal Tax Policy For Economic Growth and Stability" was announced as next in order.

Mr. HART. Mr. President, I ask that the concurrent resolution be passed over.

The PRESIDING OFFICER. The concurrent resolution will be passed over.

The concurrent resolution (S. Con. Res. 47) authorizing the printing of additional copies of the hearings on automation and technological changes was announced as next in order.

Mr. HART. Mr. President, I ask that the concurrent resolution be passed over.

The PRESIDING OFFICER. The concurrent resolution will be passed over.

PRINTING OF EXERCISES OF JOINT SESSION OF CONGRESS ON FEBRUARY 12, 1959

The concurrent resolution (H. Con. Res. 170) to provide for the printing of

a publication in connection with the exercises of the joint session of Congress on February 12, 1959, was considered and agreed to.

AMENDMENT OF LEGISLATIVE APPROPRIATION ACT OF 1955

The bill (H.R. 6435) to amend sec. 105 of the Legislative Appropriation Act, 1955, with respect to the disposition upon death of a Member of the House of Representatives of amounts held for him in trust fund account in the office of Sergeant at Arms and of other amounts due such Member was considered, ordered to a third reading, read the third time, and passed.

ALLOWANCES AND BENEFITS TO U.S. CITIZENS ASSIGNED TO VETERANS' ADMINISTRATION, PHILIPPINES

The bill (H.R. 269) to amend title 38, United States Code, to provide certain allowances and benefits to personnel of the Veterans' Administration who are U.S. citizens and are assigned to the Veterans' Administration office in the Republic of the Philippines was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 1845) to amend title 35 of the United States Code relating to patents was announced as next in order.

Mr. KEATING. Mr. President, I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

EXEMPTION OF REAL ESTATE LOANS GUARANTEED BY STATES

The Senate proceeded to consider the bill (S. 1173) to amend section 24 of the Federal Reserve Act to exempt real estate loans guaranteed by States from its provisions, which had been reported from the Committee on Banking and Currency, with amendments, on page 1, line 5, after the word "following", to strike out "and shall not apply to real estate loans" and insert "or", and in line 11, after the word "the", where it appears the second time, to strike out "mortgage" and insert "loan", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 24 of the Federal Reserve Act is amended by inserting before the period at the end of the third sentence a comma and the following: "or which are 100 per centum guaranteed or insured by a State or by a State authority for the payment of the obligations of which the faith and credit of the State is pledged: Provided, That under the terms of the guaranty or insurance agreement the association will be assured of repayment in accordance with the terms of the loan."

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "A bill to amend section 24 of the Fed-

eral Reserve Act to provide that the existing restrictions on the amount and maturity of real estate loans made by national banks shall not apply to certain loans which are guaranteed or insured by a State or a State authority."

The bill (S. 1798) to amend the Federal Deposit Insurance Act to eliminate the payment of premiums on deposits of trust funds by fiduciary banks in uninsured banks was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (1) of section 3 of the Federal Deposit Insurance Act (64 Stat. 873, 874; 12 U.S.C. 1813(1)) is amended by striking out "deposited in another bank" and inserting in lieu thereof "deposited in another insured bank"; and subsection (1) of section 7 of said Act (64 Stat. 873, 879; 12 U.S.C. 1817 (1)) is amended by striking out "whether held in its trust or deposited in any other department or in another bank" and inserting in lieu thereof "whether held in its trust department or deposited in any other department of the fiduciary bank".

AMENDMENT OF NATIONAL HOUSING ACT

The bill (H.R. 7789) to amend paragraph (b) of section 401 of the National Housing Act, as amended, was considered, ordered to a third reading, read the third time, and passed.

DESIGNATION OF FOURTH SUNDAY IN SEPTEMBER AS "INTERFAITH DAY"

The joint resolution (S.J. Res. 53) designating the fourth Sunday in September of each year as "Interfaith Day" was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the fourth Sunday in September of each year is hereby designated as "Interfaith Day", and the President of the United States is authorized and requested to issue annually a proclamation calling on the people of the United States to observe such day, and urging the participation of all Americans and all religious groups in the United States, regardless of sect or creed, to participate in the observance of such day by such means as they may deem appropriate.

Mr. KEATING subsequently said: Mr. President, I ask unanimous consent to have printed in the Record in connection with the action on Calendar No. 489, Senate Joint Resolution 53, a statement in explanation of the bill.

There being no objection, the statement was ordered to be printed in the Record, as follows:

STATEMENT

This joint resolution would designate the fourth Sunday in September of each year as Interfaith Day, and would authorize and request the President to call upon all Americans and all religious groups in the United States to observe that day in the manner each deems appropriate.

The designation of such a day would encourage the mutual understanding of all the people of our country and would serve further to call the attention of the rest of the free world to one of the fundamental

principles upon which this Nation was founded. If the free nations are to win the present struggle for men's minds, we must demonstrate in every possible way that our peoples intend to live by these principles.

The founders of our Nation came to this country in search of religious freedom and they saw to it that their descendants would be guaranteed this right through the Constitution. The United States has from the beginning offered freedom of worship to the individual and we must safeguard her place as the guardian and stronghold of liberty, equality, and tolerance in a troubled world.

History reveals that most of the major conflicts of the past have been caused in whole or in part by the suppression of the individual's right to worship as he pleases. The present strife has been wrought by a group of men who seek to replace the religions of the world with the ideology which recognizes neither a Supreme Being nor the priceless value of the individual.

The committee is of the opinion that the designation of a day in each year known as Interfaith Day would demonstrate to the world that this Nation seeks to encourage individuals of all faiths to unite their efforts toward a common goal—the preservation of the dignity of the individual. Accordingly, the committee recommends favorable consideration of Senate Joint Resolution 53, without amendment.

HENRI POLAK

The bill (S. 162) for the relief of Henri Polak was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Henri Polak shall be held and considered to have been lawfully admitted to the United States for permanent residence as of September 30, 1952.

Sec. 2. That, notwithstanding the provisions of the Immigration and Nationality Act, the periods of time Henri Polak has resided and was physically present in the United States or any State since September 30, 1952, shall be held and considered as compliance with the residence and physical presence requirements of section 316 of said act.

MA BONG CHING

The bill (S. 484) for the relief of Ma Bong Ching was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Ma Bong Ching shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

THEOPI ENGLEZOS

The bill (S. 1558) for the relief of Theopi Englezos was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of

America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Theopi Englezos shall be held and considered to have been born in Turkey.

MR. AND MRS. CARL SKOGEN WOODS

The bill (S. 1684) for the relief of Mr. and Mrs. Carl Skogen Woods was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Mr. and Mrs. Carl Skogen Woods, who lost United States citizenship under the provisions of section 404(c) of the Nationality Act of 1940, may be naturalized by taking prior to 1 year after the effective date of this Act, before any court referred to in subsection (a) of section 310 of the Immigration and Nationality Act or before any diplomatic or consular officer of the United States abroad, the oaths prescribed by section 337 of the said Act. From and after naturalization under this Act, the said Mr. and Mrs. Carl Skogen Woods will have the same citizenship status as that which existed immediately prior to its loss.

ALAN ALFRED COLEMAN

The bill (S. 1773) for the relief of Alan Alfred Coleman was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provision of section 212(a)(4) of the Immigration and Nationality Act, Alan Alfred Coleman may be issued a visa and be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that Act: Provided, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said Act: And provided further, That the exemption granted herein shall apply only to a ground for exclusion of which the Department of Justice or the Department of State has knowledge prior to the enactment of this Act.

LILIA ALVAREZ SZABO

The bill (S. 1792) for the relief of Lilia Alvarez Szabo was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Lilia Alvarez Szabo shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

MARGUERITE FUELLER

The bill (S. 1837) for the relief of Marguerite Fueller was considered, ordered to be engrossed for a third read-

ing, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Marguerite Fueller shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent resident to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

LEON OSWALD DICKEY

The bill (H.R. 1509) for the relief of Leon Oswald Dickey was considered, ordered to a third reading, read the third time, and passed.

IVY MAY LEE

The bill (H.R. 5963) for the relief of Ivy May Lee was considered, ordered to a third reading, read the third time, and passed.

PAK JAE SEUN

The Senate proceeded to consider the bill (S. 1104) for the relief of Pak Jae Seun, which had been reported from the Committee on the Judiciary, with an amendment, on page 2, line 5, after the word "of", to insert "sections 242 and 243 of", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Pak Jae Seun, the fiancée of Robert Lewis Hall, a citizen of the United States, shall be eligible for a visa as a non-immigrant temporary visitor for a period of three months, if the administrative authorities find (1) that the said Pak Jae Seun is coming to the United States with a bona fide intention of being married to the said Robert Lewis Hall and (2) that she is otherwise admissible under the Immigration and Nationality Act. In the event the marriage between the above-named persons does not occur within three months after the entry of the said Pak Jae Seun she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within three months after the entry of the said Pak Jae Seun, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Pak Jae Seun as of the date of the payment by her of the required visa fee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

YEE YOU GEE

The Senate proceeded to consider the bill (S. 1500) for the relief of Yee You Gee, which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert:

That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For Department
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HIGHLIGHTS: Sen. Dirksen urged enactment of wheat legislation. Sen. Thurmond urged restrictions on imports of cotton textiles.

SENATE

1. CROP INSURANCE. Passed without amendment H. R. 306, to permit the Crop Insurance Board to determine when there is sufficient demand for crop insurance in a county to warrant the program being established in the county. This bill will now be sent to the President. p. 12974
2. SURPLUS GRAIN; WATERFOWL. Passed without amendment H. R. 7631, to make permanent the act of July 3, 1957, authorizing Interior to requisition low-quality grain from CCC to use in the prevention of waterfowl depredations. This bill will now be sent to the President. After passing a similar bill, S. 2133, the vote was reconsidered at the request of Sen. Mansfield, and the bill was indefinitely postponed. p. 12973
3. CONTRACTS. Passed without amendment H. R. 4060, to eliminate Government responsibility for fixing dates on which the period of limitation for filing suits against Miller Act payments bonds commences to run on most Federal construction projects. This bill will now be sent to the President. p. 12978
4. LANDS. Passed without amendment S. 1453, to authorize this Department to sell a tract of Forest Service land to Keosauqua, Iowa. pp. 12972-3

Passed as reported S. 669, to authorize this Department to convey a tract of Forest Service land to a church in Henderson, Tenn. p. 12973

Passed without amendment S. 1110, to authorize this Department to convey interests in submarginal lands to Clemson College, S. C. pp. 12973-4

Passed without amendment S. 1436, to amend the act of June 14, 1956, so as to provide that there shall be no limitation on the acreage conveyed to the States for public parks. pp. 12976-7

5. RECLAMATION. Passed as reported S. 281, to authorize the Secretary of the Interior to construct a reregulating reservoir and other works at the Burns Creek site in the upper Snake River Valley, Idaho. pp. 12980-98
6. FOREIGN TRADE; SURPLUS COMMODITIES. Passed over, at the request of Sen. Bartlett S. 1748, to extend Public Law 480. p. 12973
7. PERSONNEL. Passed over, at the request of Sen. Bartlett, S. 1845, to authorize the Secretary of Commerce to fix the annual rates of basic compensation of examiners-in-chief of patents, including a provision to increase the salaries of the Administrative Assistant Secretaries to \$19,000. p. 12971
8. DURUM WHEAT. Passed over, at the request of Sen. Bartlett, S. 1282, to provide for the establishment of an advisory committee to study and recommend to the Secretary increases in durum wheat acreage allotments. p. 12974
9. MARKETING FACILITIES. Passed over, at the request of Sens. Keating and Bartlett, S. 2014, to amend the Capper-Volstead Act so as to provide for farmer association ownership of marketing facilities by exempting such associations from the anti-trust laws. p. 12974
10. TAXATION; ECONOMIC GROWTH. Agreed to a resolution authorizing the printing of 1000 additional copies of a Joint Economic Committee print, "Federal Tax Policy for Economic Growth and Stability." p. 12971
11. COTTON TEXTILES; FOREIGN TRADE. Sen. Thurmond expressed concern over the amount of cotton textile imports, and urged the Secretary of Agriculture to take action, as recommended by the National Cotton Council, to limit cotton textile imports. pp. 13002-3
12. VETERANS. Sen. Yarborough inserted a statement explaining the provisions of S. 1138, to provide readjustment assistance to veterans who serve in the Armed Forces between Jan. 31, 1955 and July 1, 1963. pp. 13005-7
13. MINERALS. The Interior and Insular Affairs Committee reported with amendment S. 1855, to amend the Mineral Leasing Act of 1920 to increase certain acreage limitations with respect to Alaska (S. Rept. 579). p. 12939
14. WHEAT. Sen. Dirksen urged the enactment of a wheat bill and stated that in the recent wheat referendum, "there was no realistic choice to be indicated by the farmers who voted," because "they had their choice between the present program, with its excessive costs and the likelihood that excessive stocks will continue to pile up, or no program," while Sen. Symington stated that the wheat referendum results show that "farmers have overwhelmingly expressed a willingness, in fact, a desire, to cooperate in adjusting their production in turn for some degree of protection against sharp price fluctuations," and that the vote "again repudiated the claims of the Secretary of Agriculture ... that they wheat farmers would prefer freedom from production adjustment measures." Sen.

One such gap is in the role of business, and particularly smaller business, in the economic life of a community—the intimate day-by-day participation of businessmen in community planning, in charitable work, in the provision of facilities for voluntary organizations. This is a very real area of productive activity which, if understood overseas, could do much to destroy the stereotype of the “money obsessed” American businessman. Another area which could more adequately be dealt with, I think, would be the picturization of the various types of occupation in America—everything from the work of a hod carrier on a construction project to the more esoteric occupations such as glass blowing and electronics manufacturing. Such films could not only portray the detail of the work, but also some of the character of the American worker and his family.

Broader areas which might be dealt with in film are in the problems which are being overcome in America—slum clearance through urban redevelopment and rural modernization; the succeeding effort to break down racial discrimination in employment; the struggle with transportation bottlenecks; the countrywide efforts to develop greater voter consciousness, to “get out the vote”; the manifold struggle against juvenile delinquency; the effort to prepare for the future economic and recreational needs of our expanding population through conservation measures and the development of our national and State parks and forests.

These are just a few areas in which business films could help to portray an America struggling with its own problems—an America whose constructive efforts to aid the rest of the world can then be seen in their true perspective—not the condescending aid of a super-society, but the open-hearted and courageous assistance from a nation that with its own many difficulties, refuses to turn its back on a world in even greater distress.

Mr. HUMPHREY. Mr. President, a large number of Americans will be visiting the exhibit in Moscow. It gives us an opportunity, such as we have never had before, to learn more about the Soviet Union and to let the people of the Soviet Union see Americans as we are.

I hope our fellow Americans will speak to the Soviet citizens honestly and kindly, but at the same time with a sense of pride as to our institutions and the things for which we stand. There is some longtime benefit here, if we but capitalize on it; and not longtime benefits only for us, but for all mankind. The peace of the world today depends on the ability and the capacity of the United States to guide a course which, on the one hand, is not appeasement but which, on the other hand, is not belligerent or arrogant. We need statesmanship which is based upon the most careful application of skillful diplomacy. Yes, diplomacy in depth, in terms of people-to-people, person-to-person type of contact and the cultural exchanges which we see so well exhibited in the fairs in the Coliseum exhibition in New York, and the other exhibition at Moscow.

BURNS CREEK PROJECT, IDAHO

The PRESIDING OFFICER (Mr. HART in the chair). The hour of 2 o'clock has arrived; and the Chair lays before the Senate the unfinished business, which will be stated.

The LEGISLATIVE CLERK. A bill (S. 281) to authorize the Secretary of the Interior to construct, operate, and maintain a reregulating reservoir and other works at the Burns Creek site in the upper Snake River Valley, Idaho, and for other purposes.

THE CALENDAR

Mr. BARTLETT. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of measures on the calendar to which there is no objection, starting with Order No. 471, House bill 1219.

The PRESIDING OFFICER (Mr. Moss in the chair). Is there objection to the unanimous-consent request? The Chair hears none, and the clerk will proceed to call the calendar, beginning with Order No. 471.

AMENDMENT OF INTERNAL REVENUE CODE OF 1954

The bill (H.R. 1219) to amend section 2038 of the Internal Revenue Code of 1954 (relating to revocable transfers) was considered, ordered to a third reading, read the third time, and passed.

ESTATE TAX DEDUCTION FOR CHARITABLE TRANSFERS SUBJECT TO FOREIGN DEATH TAXES

The Senate proceeded to consider the bill (H.R. 137) to allow a deduction, for Federal estate tax purposes, in the case of certain transfers to charities which are subjected to foreign death taxes, which had been reported from the Committee on Finance, with an amendment, on page 5, line 12, after the word “dying”, to strike out “after the date of the enactment of this act” and insert “on or after July 1, 1955.”

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

PRINTING OF ADDITIONAL COPIES OF JOINT COMMITTEE PRINT ENTITLED “FEDERAL TAX POLICY FOR ECONOMIC GROWTH AND STABILITY”

The concurrent resolution (S. Con. Res. 46) authorizing the printing of additional copies of the joint committee print entitled “Federal Tax Policy for Economic Growth and Stability” was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Joint Economic Committee one thousand additional copies of the joint committee print entitled “Federal Tax Policy for Economic Growth and Stability”.

PRINTING OF ADDITIONAL COPIES OF HEARINGS ON AUTOMATION AND TECHNOLOGICAL CHANGES

The concurrent resolution (S. Con. Res. 47) authorizing the printing of ad-

ditional copies of the hearings on automation and technological changes, was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Joint Economic Committee one thousand additional copies of the hearings on automation and technological change held by that committee during the Eighty-fourth Congress.

BILLS PASSED OVER

The bill (S. 1845) to amend title 35 of the United States Code relating to patents was announced as next in order.

Mr. BARTLETT. Over, by request.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H.R. 4538) authorizing El Paso County, Texas, to construct, maintain, and operate a bridge across the Rio Grande at or near the city of El Paso, Tex., was announced as next in order.

Mr. BARTLETT. I ask that the bill be passed over. It will be called up by motion later.

The PRESIDING OFFICER. The bill will be passed over.

ALLOTMENT OF FUNDS UNDER THE FEDERAL AIRPORT ACT FOR THE STATE OF ALASKA

The Senate proceeded to consider the bill (S. 2208) to provide equal treatment for the State of Alaska as for other States of the Union with respect to the allotment of funds under the Federal Airport Act, and for other purposes, which had been reported from the Committee on Interstate and Foreign Commerce, with an amendment, to strike out all after the enacting clause and insert:

That paragraph (2) of section 6(b) of the Federal Airport Act (69 Stat. 442, 49 U.S.C. 1105) is amended to read as follows:

“(2) Such discretionary fund shall be available for such approved projects in the several States, Alaska, and Hawaii as the Administrator may deem most appropriate for carrying out the national airport plan, regardless of the location of such projects. The Administrator shall give consideration, in determining the projects for which such fund is to be so used, to the existing airport facilities in the several States, Alaska, and Hawaii, and to the need for or lack of development of airport facilities in the several States, Alaska, and Hawaii.”

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. BARTLETT. Mr. President, passage of S. 2208 by the Senate is a step in the direction of treating Alaska on the same basis with the other States in respect to the Federal airport program. S. 2208 provides that Alaska will be eligible to receive money for airport improvement from the discretionary fund distributed by the Administrator of the Federal Aviation Agency.

S. 1, the 2-year extension of the Federal Airport Act which was signed into law on June 29, 1959, had the unfortunate effect of continuing to treat the State of Alaska as a Territory. When the President signed S. 1, he noted this defect and called for its prompt correction.

Because of the controversy surrounding the Airport Act extension, my colleague [Mr. GRUENING] and I did not attempt to amend that legislation after the conference report reached the Senate floor. Instead, we later introduced amendatory legislation which was designed to allow Alaska to share in the funds apportioned to the States on the basis of land area and population.

Subsequent calculations made it apparent, however, that the \$63 million a year program would have to be increased by approximately \$11 million in order for Alaska to be included without reducing the apportionment to any other States. The administration announced its opposition to any additional expenditure for the airport program.

The Senators from Alaska and the FAA Administrators then agreed that making Alaska eligible to receive money to meet its urgent needs from the discretionary fund would be the best temporary solution.

Mr. President, if S. 2208 is passed by the other body and becomes law, I hope that the FAA will do all that it can to insure that adequate sums of money from the discretionary fund are made available to Alaska. If this is done, the State can undertake the runway extensions urgently needed to bring the Anchorage and Fairbanks international airports up to date with the jet age.

It should be pointed out that Alaska will be required to match any discretionary funds granted to it on the same basis as other public land States—37½ percent State money 62½ percent Federal money. However, Alaska will continue to match its flat \$1,350,000 annual grant on the same basis it did as a Territory—25 percent State money to 75 percent Federal money.

Finally, Mr. President, I wish to emphasize that this is nothing more than a temporary arrangement to give Alaska some measure of equity. When a comprehensive revision of the Federal Airport Act is undertaken in the future, Alaska must be treated on the same basis as the other States.

Mr. GRUENING. Mr. President, the bill which is now under consideration is one which will, in some measure, provide more equitable treatment for the two new States of the Union with respect to the allocation of Federal funds for the improvement of airports. There can be no question as to the need for this legislation.

As the Federal Airport Act is now written, Alaska is denied any chance of receiving Federal airport aid funds which are available to the Federal Aviation Administrator for discretionary allocation to the States for priority projects for which funds are not allocated under other procedures provided by the act. As the Members of the Senate are aware, the discretionary fund which the Administrator may allocate represents 25 percent of the funds authorized for airport grants under the Federal Airport Act.

The State of Alaska had special reasons for disappointment that the recent extension of the Airport Act did not provide for a greater measure of Federal assistance to the States. It was abundantly

clear that to avoid a Presidential veto, the bill had to be passed in a drastically reduced form as compared with the excellent bill passed earlier in this session by the Senate. Hence the decision merely to extend the existing act for 2 years. As enacted, Public Law 72 merely extends, for Alaska, the same provisions relating to airport assistance which applied during our Territorial status. The effect of this is to provide, for our State, the amount of \$1,350,000 per annum for the next 2 years.

In view of the fact that Alaska uses air transportation to a greater extent than does any other State, it is exceptionally difficult to explain the circumstance that it does not share in airport improvement funds allocated by the Federal Government on the same basis as the other States.

The funds to which our State is entitled under Public Law 72 are far less than those we would have received under any of the other proposals for extension of the Federal Airport Act which were considered at this session of Congress prior to passage of the present law.

These funds are less than the amount which the administration anticipated that Alaska would receive when it recommended transitional grants for the new State which were included in the Alaska Omnibus Act, which was enacted just prior to passage of the Airport Act.

The funds to which Alaska is now entitled are far less than the amounts which are immediately needed to make necessary improvements for the airports at Anchorage and Fairbanks and to improve the safety of other airports which will be transferred to the State under provisions of the Omnibus Act.

It would seem that simple justice requires that Alaska, and Hawaii, too, at least be authorized to share in the discretionary fund of the Federal Aviation Administrator. I believe that the importance of Alaska's airports is such that its priority for funds will certainly be recognized by the Administrator in making allocations from the discretionary fund. In any case, I feel Alaska should be given every chance to share in this fund.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "A bill to provide that Alaska and Hawaii be eligible for participation in the distribution of discretionary funds under section 6(b) of the Federal Airport Act."

HOSPITAL AND MEDICAL CARE FOR VETERANS RESIDING ABROAD

The bill (S. 1694) to extend the existing authority to provide hospital and medical care for veterans who are U.S. citizens temporarily residing abroad to include those with peacetime service-incurred disabilities was considered, ordered to be engrossed for a third reading,

read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 624(b) of title 38, United States Code, is amended to read as follows:

"(b) The Administrator may furnish necessary hospital care and medical services to any otherwise eligible veteran for any service-connected disability if the veteran (1) is a citizen of the United States temporarily sojourning or residing abroad, or (2) is in the Republic of the Philippines."

CLARIFICATION OF MEANING OF THE TERM "CHANGE OF PROGRAM OF EDUCATION OR TRAINING"

The bill (S. 906) to amend section 1622 of title 38 of the United States Code in order to clarify the meaning of the term "change of program of education or training" as used in such section was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1622 of title 38 of the United States Code is amended by adding at the end of such section the following new subsection:

"(c) As used in this section the term 'change of program of education or training' shall not be deemed to include a change from the pursuit of one program to pursuit of another where the first program is prerequisite to, or generally required for, entrance into pursuit of the second."

CONVEYANCE OF LANDS IN THE STATE OF IOWA

The bill (S. 1453) to authorize the Secretary of Agriculture to sell and convey lands in the State of Iowa to the city of Keosauqua, was announced as next in order.

Mr. MORSE. Mr. President, S. 1453 authorizes the Secretary of Agriculture to sell and convey approximately an acre of land to the city of Keosauqua, Iowa, at its fair market value.

The city of Keosauqua desires the tract to enlarge its sewage plant and city park. The Secretary of Agriculture states that the land in question is excess to the needs of the Department.

Mr. President, I have no objection, because the bill conforms to the Morse formula.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Agriculture is authorized to sell and convey to the city of Keosauqua, Iowa, by quitclaim deed, at the fair market value as determined by him, and subject to all outstanding rights, all the right, title and interest of the United States in and to that certain tract of land containing ninety-nine and fifty-seven one-hundredths acres, more or less, located in Van Buren County, Iowa, in and adjacent to the city of Keosauqua, conveyed to the United States by the Grand

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For Department
Staff Only)

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HIGHLIGHTS: Sen. Dirksen defended Department's record in submitting farm program legislation. House passed mutual security appropriation bill. Both Houses passed appropriation continuation measure. Senate passed bill to increase salaries of Administrative Assistant Secretaries. House received conference report on Labor-HEW appropriation bill. Sen. Symington introduced and discussed bill to compensate producers under soil bank program for actions based on erroneous information.

SENATE

1. PERSONNEL. Passed as reported S. 1845, to increase the salaries of Administrative Assistant Secretaries, including this Department, to \$19,000 per annum. The bill also authorizes the Secretary of Commerce to fix the annual rates of basic compensation of examiners-in-chief of patents, subject to approval of the Civil Service Commission. pp. 13337-8
2. TEMPORARY APPROPRIATIONS. Both Houses passed without amendment H. J. Res. 475, the continuing resolution making temporary appropriations to departments and agencies for August pending the enactment of the remaining regular appropriation bills. This measure will now be sent to the President. pp. 13334, 13355-6
3. FARM PROGRAM. Sen. Dirksen defended the record of this Department against charges that it had not submitted to Congress adequate drafts of farm program

legislation, listed instances in which such legislation has been submitted during this session, inserted testimony by the Secretary before the Senate Agriculture and Forestry Committee on the matter, and stated "There is the chronology, in all its naked boldness; and I know of no way that it can be denied, and I know of no way that it can be denied that the responsibility is not on the Department of Agriculture. The responsibility is on Congress." p. 13305

4. MONOPOLIES. Passed with amendments S. 716, to authorize the Attorney General to compel the production of documentary evidence required in civil investigations for the enforcement of the antitrust laws. pp. 13323-33
5. COTTON IMPORTS. Sen. Jordan urged that restrictions be placed on the importation of cotton textiles now, stating that "In the years to come, it will be incomparably harder to place restraints on imports." p. 13301
6. AREA REDEVELOPMENT. Sen. Randolph urged the enactment of area redevelopment legislation. p. 13304
7. CIVIL DEFENSE. Sens. Javits and Young, O., debated the merits of increasing Federal expenditures for civil defense protection. pp. 13313-5
8. FOREIGN AID. Sen. Keating inserted an article by Under Secretary of State Dillon, "Imperatives of International Economic Growth," discussing the importance of foreign economic aid. pp. 13299-301

HOUSE

9. MUTUAL SECURITY. Passed, 279 to 136, with amendments H. R. 8385, the mutual security appropriation bill for 1960, after rejecting a motion to recommit (see Digest 127 for a summary of the amendments considered and for a listing of the provisions of the bill affecting this Department). pp. 13354-5, 13366-7
10. PUBLIC WORKS APPROPRIATION BILL FOR 1960. Conferees were appointed on this bill, H. R. 7509.(p. 13355). Senate conferees have already been appointed.
11. LABOR-HEW APPROPRIATION BILL FOR 1960. Received the conference report on this bill, H. R. 6769 (H. Rept. 734). pp. 13357-8, 13381
An amendment concerning the promotion and further development of vocational education and one concerning research and training grants for vocational rehabilitation were reported in disagreement (on the latter amendment it was agreed to make a motion providing for \$12,700,000). Another amendment provides that the apportionment to the States under certain sections of the bill for vocational rehabilitation will be on the basis of \$29,267,081.
12. INSECTICIDES. Concurred in the Senate amendment (a clerical error) to H. R. 6436, to amend the Federal Insecticide, Fungicide, and Rodenticide Act so as to include nematocides, plant regulators, defoliants, and dessicants (p. 13356). This bill will now be sent to the President.
13. FOREIGN AFFAIRS. Agreed to a resolution (S. Con. Res. 67) which corrected a technical error in S. 1928, to provide for U. S. participation in the Inter-American Development Bank (p. 13356). This bill (S. 1928) will now be sent to the President.
14. FOREIGN CURRENCIES. Received the conference report on H. R. 5674, to authorize construction at military installations including the use of foreign currencies under Public Law 480 for foreign military housing construction (H. Rept. 729). pp. 13342-54, 13380

when the Commission was not at full strength:

Date term expired	Date successor took oath	Days of vacancy
June 22, 1934.....	Aug. 13, 1934.....	52
June 22, 1942.....	July 10, 1942.....	18
June 22, 1952.....	July 9, 1952.....	17
June 22, 1953.....	Aug. 17, 1953.....	56
June 22, 1954.....	July 9, 1954.....	17
June 22, 1957.....	Aug. 16, 1957.....	55

In its report on this legislation, the Commission advised that "This situation has on occasion made it impossible to reach a decision in a particular case, * * *."

Your committee is of the firm opinion that these "arms of Congress" should be kept at full strength, and that the laws governing the terms of office of the Members thereof should be uniform.

We urge the enactment of the bill.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "A bill to make uniform provisions of law with respect to the terms of office of the members of certain regulatory agencies."

ACCEPTANCE OF DECORATION BY HON. THOMAS F. McALLISTER, JUDGE OF U.S. COURT OF APPEALS

Mr. MANSFIELD. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 575, House bill 2067.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 2067) to authorize the Honorable Thomas F. McAllister, judge of the U.S. Court of Appeals, to accept and wear the decoration tendered him by the Government of France.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD at this point an excerpt from the report of the Committee on Foreign Relations relative to this subject.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

BACKGROUND

The law and regulations applying to the acceptance of gifts from foreign governments or foreign government officials are as follows:

"[Attachment to Department Circular No. 277]

"LAW AND REGULATIONS

"Article 1, section 9, clause 8 of the Constitution reads as follows:

"No title of nobility shall be granted by the United States: And no person holding any office of profit or trust under them, shall, without the consent of the Congress, accept of any present, emolument, office, or title, of any kind whatever, from any King, prince, or foreign State."

"The act of January 31, 1881 (5 U.S.C. 115), provides:

"Any present, decoration, or other thing, which shall be conferred or presented by any foreign government to any officer of the United States, civil, naval, or military, shall be tendered through the Department of State, and not to the individual in person, but such present, decoration, or other thing shall not be delivered by the Department of State unless so authorized by act of Congress."

"By an Executive order dated April 13, 1954, the President directed that after that date no request should be submitted for the consent of Congress for anyone, other than retired personnel, to accept gifts, decorations, awards or any other thing tendered to them by a foreign government."

"It is provided in title 5, United States Code, section 115a that:

"The Secretary of State is directed to furnish to the 75th Congress and to each alternate Congress thereafter a list of those retired officers or employees of the United States for whom the Department of State under the provisions of section 115 of this title, is holding decorations, orders, medals, or presents tendered them by foreign governments."

"The acceptance of gifts by officers and employees of the Foreign Service is governed by section 1002 of the Foreign Service Act of 1946, as amended (22 U.S.C. 804), providing:

"An officer or employee of the Service shall not ask or, without the consent of the Congress, receive, for himself or any other person, any present, emolument, pecuniary favor, office, or title from any foreign government. A chief of mission or other principal officer may, however, under such regulations as the President may prescribe, accept gifts made to the United States or to any political subdivision thereof by the Government to which he is accredited or from which he holds an exequatur."

"It is further provided in 1 FSM IV 625.1 and 625.2, as follows:

"625.1 No American employee shall accept any decoration, gift, or emolument of any kind from any foreign sovereign government, or from any state, province, or municipality of any foreign government, or from any governmental or semigovernmental agency, or from any international organization of states, notwithstanding the fact that the United States is a participant in such international organization. Moreover, to assure absolute equality and uniformity in this regard, no American employee of the Foreign Service shall ever wear any foreign decoration while serving in such capacity."

"625.2 No American employee, nor any person on behalf of such employee, shall petition the Congress of the United States for legislative permission to receive any foreign decoration, gift, or emolument described in section 625.1."

"It is also provided in pertinent part in section 1021(a) of the Foreign Service Act of 1946, as amended (22 U.S.C. 809):

"The Secretary [of State] may accept on behalf of the United States gifts made unconditionally by will or otherwise for the benefit of the [Foreign] Service or for the carrying out of any of its functions. * * *"

It will be noted that the constitutional provision cited above applies to all persons "holding any office of profit or trust" under the United States; the provisions of the United States Code apply to "any officer of the United States, civil, naval, or military," and the regulations based on the Foreign Service Act of 1946 apply to "officers or employees of the Service."

THE PENDING BILL

H.R. 2067 will authorize Judge McAllister to accept and wear the decoration of the Chevalier of the Legion of Honor, awarded to him by France. This honor was not awarded as a result of official activities on his part in representing the United States,

but solely because of service rendered during World War I as a private citizen and because of his continued devotion as a private citizen to strengthening the bonds of friendship between France and the United States.

The Honorable PHILIP A. HART, junior Senator from Michigan, appeared before the Committee on Foreign Relations on Thursday, July 23, in support of the pending resolution and described the services for which the decoration was tendered.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H.R. 2067) was ordered to a third reading, read the third time, and passed.

ESTABLISHMENT OF RATES OF BASIC COMPENSATION FOR CERTAIN POSITIONS IN THE PATENT OFFICE

Mr. MANSFIELD. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 485, Senate bill 1845.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1845) to amend title 35 of the United States Code relating to patents.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Post Office and Civil Service, with an amendment, to strike out all after the enacting clause and insert:

That section 202 of the Classification Act of 1949, as amended (5 U.S.C. 1082), is amended by redesignating the paragraph thereof which was added by the Defense Department Overseas Teachers Pay and Personnel Practices Act as paragraph (33), and by changing the period at the end of such subsection to a semicolon and adding the following new paragraph:

"(34) examiners-in-chief and designated examiners-in-chief in the Patent Office in the Department of Commerce."

SEC. 2. The first paragraph of section 3 of title 35, United States Code, is amended by adding at the end thereof the following new sentence: "The Secretary of Commerce is authorized to fix the rates of basic compensation of examiners-in-chief and designated examiners-in-chief in the Patent Office, at per annum rates not in excess of the maximum scheduled per annum rate of compensation provided for positions in grade 17 of the General Schedule under the Classification Act of 1949, as amended."

SEC. 3. The enactment of the amendments made by the first section and section 2 of this Act shall not affect—

(1) any position of examiner-in-chief in the Patent Office in the Department of Commerce existing immediately prior to the date of enactment of this Act,

(2) the compensation attached to such position of examiner-in-chief, or

(3) any incumbent of such position, his appointment thereto, or his right to receive the compensation attached thereto.

until appropriate action is taken under authority of the amendment made by section 2 of this Act.

SEC. 4. (a) The rate of basic compensation of the Administrative Assistant Attorney General, the Administrative Assistant Sec-

rectary of the Interior, the Administrative Assistant Secretary of Agriculture, the Administrative Assistant Secretary of Labor, and the Administrative Assistant Secretary of Treasury shall be \$19,000 per annum.

(b) Section 505 of the Classification Act of 1949, as amended, is amended by adding at the end thereof a new subsection as follows:

"(j) The Attorney General is authorized to place a total of three positions in the Bureau of Prisons in grade 17 of the General Schedule. Such positions shall be in addition to the number of positions authorized to be placed in such grade by subsection (b)."

Mr. WILLIAMS of Delaware. Mr. President, may we have an explanation of the bill?

Mr. JOHNSTON of South Carolina. Mr. President, the bill, which the Department requests, would make possible what we regard as equitable changes in the salaries of a few employees in the Patent Office. The bill was unanimously reported favorably by the committee.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "A bill to provide for the establishment of rates of basic compensation for certain positions in the Patent Office in the Department of Commerce, and for other purposes."

ELIMINATION OF ANNUAL REPORTS BY CHAPLAINS IN THE NAVY

Mr. MANSFIELD. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 564, House bill 3290.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 3290) to amend title 10, United States Code, to eliminate the requirement that each chaplain make an annual report to the Secretary of the Navy.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

APPOINTMENT OF BOARDS OF MEDICAL OFFICERS

Mr. MANSFIELD. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 565, House bill 3320.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 3320) to amend the act of June 21, 1950, relating to the appointment of boards of medical officers.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. ENGLE. Mr. President, the bill would merely amend the present law, which requires a board of examiners, in determining the competency of an officer whose mental competence is questioned, to come from the service in which the officer serves.

The trouble is that very often a man in the infantry will be in an Air Force hospital, a Naval hospital, a Marine hospital, or even in a veterans' hospital, and it is necessary to send all over the country to assemble a board, whereas each hospital has medically competent boards in the service, thoroughly able to make a proper determination.

The present requirement involves a great expense for travel, inconvenience, and sometimes long delay.

As a consequence, that limitation is proposed to be stricken from the law, for the purpose of eliminating such expense and delay, and permitting any competent mental board in the hospital in which the person is being cared for to make the determination of competency.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

CREDIT FOR SERVICE AS A MEMBER OF THE WOMEN'S ARMY AUXILIARY CORPS

Mr. MANSFIELD. Mr. President, I ask unanimous consent for the consideration of Calendar No. 566, House bill 3321.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 3321) to amend title 10, United States Code with respect to crediting certain service as a member of the Women's Army Auxiliary Corps, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. THURMOND. Mr. President, the bill would credit service in the Women's Army Auxiliary Corps as active military duty for any person who subsequently served on active duty in any of the Armed Forces.

The Women's Army Auxiliary Corps was authorized by the act of May 14, 1942. Section 12 of that act provides, in part:

The corps shall not be a part of the Army, but it shall be the only women's organization authorized to serve with the Army, exclusive of the Army Nurse Corps.

In other words, members of the Women's Army Auxiliary Corps serve with, but not in, the Army.

The purpose of the bill is to give credit to women who served in the Women's Army Auxiliary Corps, along with other credit for military service.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

RESTRICTION OF INCREASE OF FORCES AT NAVAL INSTALLATIONS PRIOR TO NATIONAL ELECTIONS

Mr. MANSFIELD. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 567, House bill 4068.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 4068) to amend title 10, United States Code by repealing section 7475 which restricts the increasing of forces at naval activities prior to national elections.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. ENGLE. Mr. President, the bill would repeal a law which was passed in the fiscal year 1877. Apparently there was the idea at that time that naval personnel at certain places would be increased within 60 days of the election, for political purposes.

I think it is significant that a Democratic Congress is willing to repeal that law, with a Republican administration in the White House. We think it is outmoded, and no longer needed, and that large increases in naval personnel for political purposes will not occur at naval activities prior to national elections. Therefore the law, enacted in 1877, has survived its usefulness, and should be repealed.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

WITHHOLDING OF SEAMEN'S WAGES UNDER STATE TAX LAWS

Mr. MANSFIELD. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 428, Senate bill 1958.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1958) to amend title 46, United States Code, section 601, to clarify types of arrestment prohibited with respect to wages of U.S. seamen.

86TH CONGRESS
1ST SESSION

S. 1845

IN THE HOUSE OF REPRESENTATIVES

JULY 30, 1959

Referred to the Committee on Post Office and Civil Service

AN ACT

To provide for the establishment of rates of basic compensation for certain positions in the Patent Office in the Department of Commerce, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 That section 202 of the Classification Act of 1949, as
4 amended (5 U.S.C. 1082), is amended by redesignating the

5 paragraph thereof which was added by the Defense Depart-
6 ment Overseas Teachers Pay and Personnel Practices Act as

7 paragraph (33), and by changing the period at the end of
8 such subsection to a semicolon and adding the following

9 new paragraph:

10 “(34) examiners-in-chief and designated examiners-

1 in-chief in the Patent Office in the Department of Com-
2 merce.”

3 SEC. 2. The first paragraph of section 3 of title 35,
4 United States Code, is amended by adding at the end thereof
5 the following new sentence: “The Secretary of Commerce
6 is authorized to fix the rates of basic compensation of exami-
7 ners-in-chief and designated examiners-in-chief in the Patent
8 Office, at per annum rates not in excess of the maximum
9 scheduled per annum rate of compensation provided for
10 positions in grade 17 of the General Schedule under the
11 Classification Act of 1949, as amended.”

12 SEC. 3. The enactment of the amendments made by the
13 first section and section 2 of this Act shall not affect—

14 (1) any position of examiner-in-chief in the Patent
15 Office in the Department of Commerce existing immedi-
16 ately prior to the date of enactment of this Act,

17 (2) the compensation attached to such position of
18 examiner-in-chief, or

19 (3) any incumbent of such position, his appointment
20 thereto, or his right to receive the compensation attached
21 thereto.

22 until appropriate action is taken under authority of the
23 amendment made by section 2 of this Act.

24 SEC. 4. (a) The rate of basic compensation of the Ad-
25 ministrative Assistant Attorney General, the Administrative

1 Assistant Secretary of the Interior, the Administrative As-
2 sistant Secretary of Agriculture, the Administrative Assist-
3 ant Secretary of Labor, and the Administrative Assistant
4 Secretary of Treasury shall be \$19,000 per annum.

5 (b) Section 505 of the Classification Act of 1949, as
6 amended, is amended by adding at the end thereof a new
7 subsection as follows:

8 “(j) The Attorney General is authorized to place a
9 total of three positions in the Bureau of Prisons in grade 17
10 of the General Schedule. Such positions shall be in addition
11 to the number of positions authorized to be placed in such
12 grade by subsection (b).”

Passed the Senate July 29, 1959.

Attest:

FELTON M. JOHNSTON,

Secretary.

AN ACT

To provide for the establishment of rates of basic compensation for certain positions in the Patent Office in the Department of Commerce, and for other purposes.

JULY 30, 1959

Referred to the Committee on Post Office and Civil
Service

86TH CONGRESS
1ST SESSION

H. R. 8479

IN THE HOUSE OF REPRESENTATIVES

JULY 30, 1959

Mr. MORRISON introduced the following bill; which was referred to the Committee on Post Office and Civil Service

A BILL

To provide for the establishment of rates of basic compensation for certain positions in the Patent Office in the Department of Commerce, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 That section 202 of the Classification Act of 1949, as
4 amended (5 U.S.C. 1082), is amended by redesignating the
5 paragraph thereof which was added by the Defense Depart-
6 ment Overseas Teachers Pay and Personnel Practices Act as
7 paragraph (33), and by changing the period at the end of
8 such subsection to a semicolon and adding the following new
9 paragraph:

10 “(34) examiners-in-chief and designated examiners-

1 in-chief in the Patent Office in the Department of Com-
2 merce.”

3 SEC. 2. The first paragraph of section 3 of title 35,
4 United States Code, is amended by adding at the end thereof
5 the following new sentence: “The Secretary of Commerce is
6 authorized to fix the rates of basic compensation of examiners-
7 in-chief and designated examiners-in-chief in the Patent
8 Office, at per annum rates not in excess of the maximum
9 scheduled per annum rate of compensation provided for
10 positions in grade 17 of the General Schedule under the
11 Classification Act of 1949, as amended.”

12 SEC. 3. The enactment of the amendments made by the
13 first section and section 2 of this Act shall not affect—

14 (1) any position of examiner-in-chief in the Patent
15 Office in the Department of Commerce existing immedi-
16 ately prior to the date of enactment of this Act,

17 (2) the compensation attached to such position of
18 examiner-in-chief, or

19 (3) any incumbent of such position, his appoint-
20 ment thereto, or his right to receive the compensation
21 attached thereto.

22 until appropriate action is taken under authority of the
23 amendment made by section 2 of this Act.

24 SEC. 4. (a) The rate of basic compensation of the Ad-
25 ministrative Assistant Attorney General, the Administrative

1 Assistant Secretary of the Interior, the Administrative As-
2 sistant Secretary of Agriculture, the Administrative Assist-
3 ant Secretary of Labor, and the Administrative Assistant
4 Secretary of Treasury shall be \$19,000 per annum.

5 (b) Section 505 of the Classification Act of 1949, as
6 amended, is amended by adding at the end thereof a new
7 subsection as follows:

8 “(j) The Attorney General is authorized to place a total
9 of three positions in the Bureau of Prisons in grade 17 of
10 the General Schedule. Such positions shall be in addition
11 to the number of positions authorized to be placed in such
12 grade by subsection (b).”

A BILL

To provide for the establishment of rates of basic compensation for certain positions in the Patent Office in the Department of Commerce, and for other purposes.

By Mr. MORRISON

JULY 30, 1959

Referred to the Committee on Post Office and Civil Service

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For Department
Staff Only)

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HIGHLIGHTS: House received conference report on bill to extend authority for refinancing farm loans. House committee reported bill to increase salaries of Administrative Assistant Secretaries. Rep. Breeding introduced and discussed bill to extend and expand conservation reserve program.

SENATE

1. CIVIL DEFENSE. Both Houses received from the Office of Civil and Defense Mobilization the quarterly report of Federal contributions for the quarter ending June 30, 1959, pertaining to project applications of the States, territories, and possessions. pp. 16552, 16334
2. AUDIT REPORT. Both Houses received from the Comptroller General a report on the audit of the Development Loan Fund for the fiscal year ended June 30, 1958 (H. Doc. 223). pp. 16334, 16552

3. MARGARINE. The Armed Services Committee reported without amendment S. 2168, to amend the Navy ration statute so as to provide for the serving of oleo-margarine or margarine (S. Rept. 894). p. 16335
 4. RESEARCH; SCIENCE. The Post Office and Civil Service Committee reported with amendments H. R. 6059, to provide additional civilian positions for the Department of Defense for purposes of scientific research and development relating to the national defense and to improve the management of the activities of such Department (S. Rept. 882). p. 16335
 5. RADIOACTIVITY. The Interstate and Foreign Commerce Committee reported with amendments S. 1806, to revise the "Explosives and Combustibles" transportation chapter of the Criminal Code to include the transportation of radioactive materials and etiologic agents as an illegal act (S. Rept. 901). p. 16335
 6. CONSERVATION CORPS. Sen. Clark inserted an article explaining that a Youth Conservation Corps established for Philadelphia youths, which program is similar to that proposed in the Youth Conservation Corps bill (S. 812) that recently passed the Senate, has been a success. pp. 16339-40
 7. INTEREST RATES; INFLATION. Sen. Robertson inserted his speech stating that "continued high interest rates must be regarded as a necessary price to be paid for the failures of fiscal policy and the avoidance of inflation" (p. 16340). Sen. Clark stated that interest rates in general had risen since the President made his request to raise interest rates on Government obligations, and urged that Congress adjourn without acting on the President's proposal, stating that such refusal to act might have a psychological effect of bringing interest rates down "to a more reasonable figure." Sen. Bush and others debated the subject. pp. 16366-71
 8. LEGISLATIVE PROGRAM. Sen. Johnson received consent to delay until today (Sept. 4) consideration of S. 1748, to extend Public Law 480, and stated that the Senate may be in session until late tonight considering this bill. He announced that on Sat., the calendar would be called, that on Mon., the report on the highway bill would probably be taken up and after that the Government bond interest rate increase bill and the mutual security appropriation bill would be considered. He stated that the Senate would be in session both Sat. and Mon. (Labor Day). p. 16434, 16435.
- HOUSE
9. FARM LOANS. Received the conference report on H. R. 7629, to extend the authority of the Farmers' Home Administration to make real estate loans for refinancing farm debts (H. Rept. 1141). As reported the bill extends this authority for 2 years, until June 30, 1961 (as was previously amended by the Senate), and retains the House language to provide that growing or recently harvested crops shall be included in computing a farmer's assets in making loans under this authority. pp. 16512, 16553
 10. PERSONNEL. The Post Office and Civil Service Committee reported with amendments S. 1845, which as passed by the Senate provided for an increase in the salaries of certain Administrative Assistant Secretaries, including this Department, to \$19,000 per annum, and authorized the Secretary of Commerce to fix the annual rates of basic compensation of examiners-in-chief of patents, subject to the approval of the Civil Service Commission (H. Rept. 1138)

REESTABLISHMENT OF RATES OF BASIC COMPENSATION FOR CERTAIN GOVERNMENT POSITIONS

SEPTEMBER 3, 1959.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. DAVIS of Georgia, from the Committee on Post Office and Civil Service, submitted the following

R E P O R T

[To accompany S. 1845]

The Committee on Post Office and Civil Service, to whom was referred the bill (S. 1845) to provide for the establishment of rates of basic compensation for certain positions in the Patent Office in the Department of Commerce, and for other purposes, having considered the same, report favorably thereon with amendments and recommend that the bill, as amended, do pass.

AMENDMENTS

The committee proposes two amendments to the bill: An amendment to the text and an amendment to the title.

AMENDMENT TO THE TEXT

The amendment proposed by the committee to the text of the bill strikes out all after the enacting clause and inserts in lieu thereof a substitute text which is set forth in the reported bill in italic type. An explanation of the effect of this proposed amendment to the text is set forth below in this report.

AMENDMENT TO THE TITLE

The amendment proposed by the committee to the title of the bill is as follows:

Amend the title so as to read:

An Act to provide for the reestablishment of rates of basic compensation for certain Government positions.

The purpose of this proposed amendment to the title is to reflect more accurately the provisions of the amendment proposed by the committee to the text of the bill.

STATEMENT

PURPOSE

The purpose of this legislation is to provide for adjustments in the rates of compensation of certain existing executive positions and for the establishment of additional administrative, management, and scientific research and development positions in various Government departments and agencies.

SUMMARY OF MAJOR PROVISIONS

The proposed committee amendment authorizes (1) salary rates for examiners in chief and designated examiners in chief, respectively, in the Patent Office not higher than the maximum salary rates of grades 17 and 16 of the Classification Act of 1949, (2) the establishment of 114 additional positions in the Department of the Treasury in grades 16, 17, and 18 of such act, (3) salary adjustments from \$17,500 to \$20,000 for the Commissioner of Social Security and the Commissioner of Education, (4) salary adjustments from \$17,500 to \$19,500 for the Deputy Commissioner and the Chief Counsel of the Internal Revenue Service, the Administrative Assistant Attorney General, and the Administrative Assistant Secretaries of Agriculture, Labor, and Treasury, (5) the establishment in the Department of Agriculture of 10 additional scientific research and development positions (including the position of Administrator, Agricultural Research Service, for which the existing salary is \$17,500), and in the Department of Health, Education, and Welfare of 5 additional such positions, within a salary range of \$12,500 to \$19,000, and (6) the procurement by the Director of the Administrative Office of the U.S. Courts of services of consultants in accordance with section 15 of the Administrative Expenses Act of 1946.

EXPLANATION OF THE BILL, AS REPORTED

Section 1(a) authorizes the Secretary of Commerce to fix the compensation of examiners in chief in the Patent Office of the Department of Commerce at rates not higher than the maximum rate for grade GS-17 of the General Schedule of the Classification Act of 1949, as amended, as provided in the Senate bill.

Section 1(b) authorizes the Secretary of Commerce to fix the compensation of designated examiners in chief in the Patent Office at rates not higher than the maximum rate for grade GS-16 of the General Schedule of the Classification Act of 1949, as amended. Subsection 1(b) retains the existing provision of law requiring return to appropriate lower salary levels of each designated examiner in chief after the designation expires.

Section 1(c) provides that no change made by section 1 shall affect any existing position of examiner-in-chief or designated examiner-in-chief, any incumbent of such a position or his appointment or right to compensation, until appropriate action is taken by the Secretary of Commerce under subsections (a) and (b) of section 1.

Section 2(a) authorizes the Secretary of the Treasury to establish 114 additional positions in the Department of the Treasury in grades 16, 17, and 18 of the General Schedule of the Classification Act of 1949, as amended. The additional positions are made available in

three equal increments, in periods as follows: (1) beginning with enactment and ending June 30, 1960, (2) beginning July 1, 1960, and ending June 30, 1961, and (3) on and after July 1, 1961. The authorization of such additional positions in 3 increments is in accordance with the policy of this committee in providing for similar increases in positions for the Department of Defense in H.R. 6059, passed by the House July 6, 1959.

Section 2(b) reduces the number of positions in grades GS-16, GS-17, and GS-18 of the General Schedule of the Classification Act of 1949, as amended, which are available for allocation by the U.S. Civil Service Commission to Government departments and agencies. The net reduction in the positions reflects, in part, the positions presently allocated by the Civil Service Commission to the Department of the Treasury which are replaced by the direct authorization granted the Secretary of the Treasury by section 2(a) of the bill. The difference between such net reduction in positions available for allocation by the Commission and the number of positions now allocated by the Commission to the Department of the Treasury leaves with the Commission sufficient additional positions for allocation to other departments and agencies against the considerable backlog of requests.

It is the intention of the committee, in making these additional positions available for allocation by the Civil Service Commission, that the Commission earmark a portion of such additional positions, subject to justification by the departments and agencies concerned in accordance with the provisions of the Classification Act of 1949, as follows:

Department of Health, Education, and Welfare	20 additional supergrade positions.
Department of Justice:	
Bureau of Prisons	4 additional supergrade positions.
Immigration and Naturalization Service	3 additional grade GS-18 positions.
Department of Labor	1 additional grade GS-18 position.
Small Business Administration	15 additional supergrade positions.
U.S. Court of Military Appeals	1 additional supergrade position.

In the judgment of the committee, requests for the foregoing positions, which have been submitted to the committee, are properly for consideration under the principles and standards of the Classification Act of 1949 and should be allocated, where justified, by the Civil Service Commission from the total number of supergrade positions available for allocation by the Commission.

Subsection 2(c), which is similar in effect to section 1(c), provides that no change will be made affecting any supergrade position now allocated to the Department of the Treasury or the incumbent thereof until appropriate action is taken by the Secretary of the Treasury as authorized by section 2(a).

Section 3(a) amends the Federal Executive Pay Act of 1956 so as to adjust the salaries of the Commissioner of Education (now in grade GS-18) and the Commissioner of Social Security from \$17,500 to \$20,000.

Section 3(b) amends the Federal Executive Pay Act of 1956 so as to place the salaries of the Deputy Commissioner of the Internal Revenue Service and the Chief Counsel of the Internal Revenue Service, the

Administrative Assistant Attorney General, and the Administrative Assistant Secretaries of Interior, Agriculture, Labor, and Treasury at \$19,000. All presently receive \$17,500 except the Administrative Assistant Secretary of the Interior, who receives \$19,000. The Chief Counsel of the Internal Revenue Service and the Administrative Assistant Secretaries of Agriculture, Labor, and Treasury now are in grade GS-18 of the General Schedule of the Classification Act of 1949, as amended.

Section 3(c) makes two changes in section 107(a) of the Federal Executive Pay Act of 1956. The first change removes the Administrator, Agricultural Research Service (whose present salary is \$17,500) from such act and leaves his salary to be fixed under section 4(a), which authorizes additional scientific research and development positions within a salary range of \$12,500 to \$19,000. The second change, which is technical in nature, removes the Commissioner of Social Security and the Deputy Commissioner of the Internal Revenue Service from section 107(a) of such act, since these positions are placed at a higher level by section 3(b) of the bill.

Section 4(a) authorizes the Secretary of Agriculture to establish not more than 15 scientific research and development positions in the Department of Agriculture within a salary range of \$12,500 to \$19,000. This represents an increase of 10 such positions for the Department, compared with a requested increase of 41.

Section 4(b) authorizes an increase of 5 scientific research and development positions for the Department of Health, Education, and Welfare, compared to a requested increase of 10.

Section 5(a), which is technical in nature, redesignates the Assistant Director of the Administrative Office of the U.S. Courts as the Deputy Director of the Administrative Office of the U.S. Courts and provides for conforming changes in title 28 of the United States Code and the Federal Executive Pay Act of 1956 and in references made to this position in any other law.

Section 5(b) extends authority, now granted most executive departments and agencies, for the Director of the Administrative Office of the U.S. Courts to procure services of consultants in accordance with section 15 of the Administrative Expenses Act of 1946.

Section 6 makes technical changes to redesignate paragraph numbers in section 202 of the Classification Act of 1949 (exclusions from the act), as amended, in conformity with changes made by section 1 of the bill and by the enactment of Public Law 86-36 (administrative authority of the National Security Agency) and Public Law 86-91 (Defense Department Overseas Teachers Pay and Personnel Practices Act).

Section 7 provides appropriate effective dates for the several sections of the bill.

Cost

The increased direct salary cost for the first 12 months under this legislation is estimated by the departments and agencies concerned as \$192,000.

ADMINISTRATIVE REPORTS

S. 1845 is based upon official recommendations of the Departments of Agriculture; Commerce; Health, Education, and Welfare; Labor; and Treasury; the Bureau of Prisons and the Immigration and

Naturalization Service in the Department of Justice; the Administrative Office of the U.S. Courts; the Small Business Administration; and the U.S. Court of Military Appeals. The reports of the Departments of Agriculture and Commerce, the Bureau of Prisons, the Administrative Office of the U.S. Courts, the U.S. Court of Military Appeals, and the U.S. Civil Service Commission follow:

DEPARTMENT OF AGRICULTURE,
Washington, D.C., August 10, 1959.

The SPEAKER,
House of Representatives.

DEAR MR. SPEAKER: Transmitted herewith for the consideration of the Congress is a proposed bill and justification statement related thereto which would amend the Federal Employees Salary Increase Act of 1958 to provide to the Department of Agriculture an additional 41 scientific or professional positions subject to the provisions of Public Law 313, 80th Congress, thus making a total of 46 positions which would be available to this Department.

The high level of agricultural research in the Department has been achieved through the efforts of a dedicated group of scientific personnel who have chosen to remain with the Department in the belief that their work resulted in a greater benefit to the American people as a whole. Their competence and accomplishments make it imperative that they receive recognition comparable to that given scientists employed by the other departments and agencies. Delay in according such recognition may hamper the furtherance of a research program of the nature and extent required to meet present and foreseeable needs of agriculture. Enactment of the proposed legislation is essential if our research goals are to be reached.

Upon referral of this proposed bill to the appropriate committee, the Department will submit to such committee additional data in justification of its proposal.

The Bureau of the Budget advises that there is no objection to the submission of this proposed legislation to the Congress for its consideration.

Sincerely yours,

E. L. PETERSON, *Acting Secretary.*

JUSTIFICATION STATEMENT ON PROPOSED LEGISLATION TO AUTHORIZE
46 SCIENTIFIC AND PROFESSIONAL POSITIONS UNDER PUBLIC LAW
313, 80TH CONGRESS

The Department's activities in agricultural research have been expanded greatly in the past 5 years. These activities include fundamental, applied, and developmental research relating to production, marketing, and utilization of agricultural products. Our research is generally directed toward reducing and controlling the hazards of production, improving the yield and quality of products, lowering the costs of production and marketing, and increasing utilization.

The Department's research programs are many and diversified. Farm utilization research concerns itself with the physical, chemical, and biological sciences. The research work in this area covers complex studies involving highly developed skills in plant and animal pathology, physiology, genetics, and other plant and animal science disciplines, as well as chemical research in human nutrition and textiles.

These disciplines are applied toward the objectives of maintaining productive capacity to meet the needs of an expanding population, increasing agricultural efficiency and production quality, developing new crops and uses of agricultural commodities so as to expand the uses of farm products and improve the economic position of American agriculture in general.

This broad research program includes complex and intensive research for such purposes as controlling and preventing plant and animal diseases and insects; developing systems for the efficient, sustained and profitable use of the Nation's soil and water resources; determining safe and efficient uses of farm power, labor, machines, structures and materials; developing improved livestock, poultry, and other domestic animals; developing improved dairy cows and efficient management systems for dairy herds; establishing basic knowledge of the composition and chemical and physical properties of grains, oilseed, cotton, hides, wool and other farm commodities; developing new products and processes from agricultural commodities for industrial uses; and providing basic scientific information concerning food, nutrition, textiles, etc., in the interest of better consumer utilization of food, fibers and other products of the Nation's farms.

Marketing research provides for the measurement and protection of the quality of products passing through the marketing and distribution system. The cost of agricultural marketing which involves the physical movement, handling, storage, processing, packing, and delivery of agricultural products has more than quadrupled over the past 18 years. Since labor is the most expensive ingredient of agricultural marketing, efforts to hold down the overall cost must be concentrated upon the development of new technologies leading to greater productivity of labor. Research aimed at this objective requires engineers, architects, designers, and associated scientists. It also requires close association with biologists concerned with quality maintenance of commodities as they move through greater distances and more specialized marketing activities from farms to consumers. Biological scientists must incorporate new technologies applied to temperature and atmospheric controls, that are now possible with recent developments involving such packaging materials as transparent permeable films cooling treatments such as hydrocooling, and vacuum cooling, temperature controls such as mechanical refrigeration, disease control such as antibiotics and radiation treatments, and materials handling such as paletizing and power equipment. To attain the potential efficiencies available from these types of technologies the best talents of physicists, chemists, bacteriologists, physiologists, engineers, and related scientists must be brought to bear on the problems.

Products of the Nation's forests—timber, forage, water, and game—are essential to the Nation's health, welfare, and military strength. Scientific knowledge of forests and their vital resources is fundamental to effective production, utilization, and marketing of forest products. The importance of forest resources development is evidenced in a recent submission to the Congress of a 12-year national forest program providing for substantial increases in basic action programs and in the research required to make these programs effective. Forest research would be increased to about four times its present scope in plans now being considered by Congress. The success of this increased forest research will require strong emphasis on all aspects of

the protection, production, and utilization of forest resources involving skills in plant ecology, genetics, soils, hydrology, engineering, chemistry, and physics. These skills are essential in the improvement of management of forests, range, wildlife habitat, forest recreation, and watershed resources; in the protection of these natural resources against fire, insects, and diseases; in the development of new and improved processing methods and equipment; uses for wood and wood products; and in the studies of characteristics of wood.

The Department's research responsibilities also encompass a continually increasing demand for exploratory investigations to determine scientific truths which contribute principles and knowledges that provide a scientific basis essential to the solution of practical problems confronting the agricultural industry generally. Pioneering research in plant and animal physiology and pathology, biological and organic chemistry and other basis disciplines for the purpose of advancing the frontier of science and thereby providing the fundamental theories, concepts and principles is essential to the scientific pursuit of the improved applied and developmental research. The Department's research efforts relate directly not only to the farmer's but the Nation's economic welfare. Through its studies in the fundamental and applied sciences, the Department must continue to add to the store of knowledge essential to finding new industrial, consumer, and other uses for agricultural products particularly those in surplus supply. The search for new and improved disease resistant crop strains and varieties is unceasing. Ravages of plant and animal insects and diseases remain a significant factor in the agricultural economy. Crop and animal losses to the farmer from both insects and diseases continue to be staggering to agriculture notwithstanding past research efforts and achievements in controlling those menaces.

The success of all these research efforts depends critically upon our ability to recruit and retain the services of scientists whose level of competence and experience eminently qualify them to plan, direct, lead and conduct these programs.

Many scientists are greatly interested in the Department's programs and fields of research and the challenge offered in these areas, but salary considerations involved in their association with the Department force them to decline our offers of employment or to leave the rolls for more lucrative outside positions. It has been unquestionably established through results of recruitment efforts over the past several years that our key research positions cannot be filled under present salary scales with scientists having the necessary training, experience, and reputation to give the positions the leadership and guidance required. It can be readily recognized, therefore, that the Department's research programs have been hampered severely by this fact. To compound this vexing situation we are faced constantly with the loss of our own research personnel of recognized competence to better paying positions with other research organizations.

Recognition of this recruitment and retention problem has been accorded the Defense Department and the National Security Agency. As a result of the passage of Public Law 85-462 of June 20, 1958, these agencies received sizable increases in their scientific research job authorities. In the Department of Defense, the number was increased from 120 to 292, and in the National Security Agency from 25 to 50. The Defense Department has currently under consideration by the

Congress two similar bills, S. 1520 and H.R. 6059, which would provide 158 additional statutory research positions. Such an authorization would lift the Defense Department's total to 450 statutory research positions. In the same act, Public Law 85-462, the Public Health Service had its statutory research position authority increased from 60 to 85 positions, of which 73 were designated for the National Institutes of Health. The National Aeronautics and Space Administration, with 260 positions under Public Law 85-568 of July 29, 1958, and the Federal Aviation Agency, with 15 positions under Public Law 85-726 of August 23, 1958, are the newest agencies to be added to the roster of departments and agencies which have been authorized special statutory research jobs.

THE SECRETARY OF COMMERCE,
Washington, D.C., April 13, 1959.

HON. SAM RAYBURN,
Speaker of the House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: There are attached four copies of a proposed bill to amend title 35 of the United States Code relating to patents.

There is also attached a justification of the proposed legislation.

We are advised by the Bureau of the Budget that it would interpose no objection to the submission of this proposed legislation.

Sincerely yours,

FREDERICK H. MUELLER,
Under Secretary of Commerce.

A BILL To amend title 35 of the United States Code relating to patents

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the second paragraph of section 3 of title 35 of the United States Code is amended by adding thereto the following sentence:

"The Secretary of Commerce is authorized, without regard to the provisions of the Classification Act of 1949, as amended, to fix the annual rates of basic compensation of the examiners-in-chief, subject to the approval of the Civil Service Commission, at rates not exceeding the maximum rate now or hereafter prescribed by law for employees of the classes described in the first section of the Act entitled 'An Act to authorize the creation of additional positions in the professional and scientific service in the War and Navy Departments', approved August 1, 1947 (61 Stat. 715), as amended."

JUSTIFICATION FOR PROPOSED LEGISLATION TO AMEND TITLE 35 OF THE
UNITED STATES CODE RELATING TO PATENTS

The proposed legislation has one purpose—to provide an increase in the salaries of the members of the Board of Appeals of the Patent Office. It provides for fixing, with the approval of the Civil Service Commission, the pay of the Board members at annual rates provided for top scientists and engineers (\$12,500 to \$19,000).

This Board of Appeals is comprised of not to exceed 15 examiners in chief, who are appointed by the President, by and with the advice and consent of the Senate, as provided in title 35, United States Code, section 3. In addition to the examiners in chief, the Commissioner and Assistant Commissioners may by law sit as members of the Board of Appeals. The Board has the sole power, without further recourse within the executive branch, to hear and adjudicate appeals from final rejections in patent cases. The decisions of the Board, if favorable to the appellant, are final; if unfavorable to the appellant, they are subject to review only upon appeal to the Court of Customs and Patent Appeals or, at the applicant's election, upon the filing of a suit in equity in the U.S. District Court for the District of Columbia. Each appeal is heard and considered by at least three members of the Board.

A member of the Board of Appeals reviews appealed patent cases in any category of the sciences and technological arts which may involve claims where competent definitions of the exact contribution to the art are exceptionally difficult to make. His decisions may involve highly complicated matters, including interpretations of a very advanced, technical character relating to the latest developments in the diverse fields of mechanics, electricity, electronics, chemistry, electrochemistry, physics, atomic physics, drugs, etc. His decisions require exceptional knowledge of, and seasoned experience with, legal precedents, prior decisions of the Board, decisions of the U.S. Court of Customs and Patent Appeals, and decisions of the other Federal courts.

Presently, the salaries of these positions are fixed in accordance with the provisions of the Classification Act of 1949, and are in GS-15, \$13,970. The possibility of securing from the Civil Service Commission authority for 15 additional supergrades is extremely remote, particularly when the entire Department of Commerce received not more than 5 additional supergrade positions from the 287 authorized by Public Law 85-737. On the other hand, continuing the present GS-15 grade and rate of pay for these positions is in violation of the principle of equal pay for equal work established by the Classification Act of 1949.

As a result of a better appreciation of the steadily increasing technological and scientific developments and their impact on patent examining, the grades and salaries of other positions of lesser responsibility in the Patent Office have improved in recent years, while the grade and rate of pay of the examiners in chief have remained unchanged. In addition, the provisions of Public Law 85-462 permitted the fixing of the salaries of certain professional employees, whose duties and responsibilities are of lesser importance, at rates in excess of those being paid to the examiners in chief.

The present salaries of the examiners in chief appear inadequate when compared with the \$25,500 salary of a member of the Court of Customs and Patent Appeals—the court which hears appeals from the decisions rendered by the Board of Patent Appeals.

A study of the duties and responsibilities required of examiners-in-chief, together with the high professional qualification requirements for their executive appointment to those positions, serve to accentuate the inadequacy of Classification Act salaries of only \$13,970. The

quasi-judicial duties of the members of the Board of Appeals are the most difficult and exacting in the Patent Office. It is required that to be eligible for appointment, examiners-in-chief be scientifically competent and trained in the law. Few of the career employees possessing this combination of professional abilities also possess the high level of judicial judgment required for successful performance of the scientific and legal decisions required of them. Recommendations to the President for appointments of new members to the Board are made only after temporary detail assignments to determine the professional competence of the proposed appointee.

This proposed amendment will permit the payment of compensation which reflects the importance of the functions performed by authorizing the fixing of salaries, upon approval by the Civil Service Commission, at an appropriate rate within the range specified in the act (Public Law 313), as amended by Public Law 854, which is \$12,500 to \$19,000.

The following table lists the top level positions in the order of the relative importance of their duties and responsibilities, together with their present salaries. The inequities which exist are apparent.

Commissioner of Patents	\$20, 000
First Assistant Commissioner, GS-18	17, 500
2 Assistant Commissioners, GS-17	16, 335
15 examiners-in-chief, GS-15	13, 970
Solicitor, GS-16	15, 150
Director, patent research, examining and classifying operation, GS-17	15, 615
5 Directors, patent research and examining group, Public Law 313	14, 800
3 supervisory patent examiners, GS-15	13, 970
67 supervisory patent examiners, GS-14	12, 555

THE SECRETARY OF COMMERCE,
Washington, August 19, 1959.

HON. TOM MURRAY,
*Chairman, Committee on Post Office and Civil Service,
House of Representatives, Washington, D.C.*

DEAR MR. CHAIRMAN: This is in reply to your request for views of the Department of Commerce with respect to H.R. 8479, a bill to provide for the establishment of rates of basic compensation for certain positions in the Patent Office in the Department of Commerce, and for other purposes.

Sections 1 through 3 of this proposal would provide increased compensation for examiners-in-chief and designated examiners-in-chief in the Patent Office in the Department of Commerce.

The Department of Commerce transmitted a legislative proposal to the Congress to effect the purposes of H.R. 8479. The proposal so transmitted was not identical to H.R. 8479, but differed in that compensation was to be measured at rates provided in the act entitled "An act to authorize the creation of additional positions in the professional and scientific service in the War and Navy Departments," approved August 1, 1947 (61 Stat. 715), as amended. H.R. 8479 would establish grade 17 of the General Schedule under the Classification Act of 1949, as amended, as the standard of compensation for these positions.

While it is our opinion that the standards of compensation found in the scientific and professional services legislation would be more appropriate for these positions, we are advised that the Senate has acted favorably on S. 1845, an act identical to H.R. 8479, and because it is very important to the Department that legislation for this purpose be enacted before the present session comes to a close, we urge enactment of sections 1 through 3 of H.R. 8479. The Department of Commerce would defer to the views of agencies concerned with section 4 of the proposal, which does not relate to the Department of Commerce.

Adjustment in the remuneration received by these examiners in chief and designated examiners in chief is necessary and well warranted. The work that is performed in these positions is most exacting in both a legal and a technological sense. These examiners, together with the Commissioner and Assistant Commissioners, comprise the Board of Appeals of the Patent Office. They hear and decide appeals filed by applicants for patents from the final decisions of the many examining divisions of the Patent Office. From the final decisions of this group on the question of patentability of inventions, appeals lie to the Court of Customs and Patent Appeals or review may be sought by civil action against the Commissioner of Patents in the District Court of the United States for the District of Columbia. The decisions of this Board, therefore, are the final decisions of the Patent Office reviewable only by the courts mentioned.

A significant backlog of cases, over 9,000, are pending before the Board now for decision, and some 2 years must elapse between the filing of an appeal and the rendering of a decision despite strenuous efforts of the examiners to accomplish their work.

Presently the salaries of these positions are established as GS-15, \$13,970, under the Classification Act of 1949. Comparison with the compensation of other top level positions is indicated to provide a measure of the inequality which exists and which H.R. 8479, if enacted, would remedy. Members of the Court of Customs and Patent Appeals who hear appeals from decisions of the Board of Appeals are paid \$25,500. Other salaries and positions which should be considered are listed below:

Commissioner of Patents.....	\$20, 000
First Assistant Commissioner, GS-18.....	17, 500
2 Assistant Commissioners, GS-17.....	16, 335
15 examiners-in-chief, GS-15.....	13, 970
Solicitor, GS-16.....	15, 150
Director, patent research, examining and classifying operation, GS-17..	15, 615
5 Directors, patent research and examining group, Public Law 313....	14, 800
3 supervisory patent examiners, GS-15.....	13, 970
67 supervisory patent examiners, GS-14.....	12, 555

For reasons set forth above, enactment of H.R. 8479 is urged. Additional information on the scope of knowledge and training necessary to carry out the job of these examiners is available if needed to persuade the committee of the appropriateness of the proposal.

We are advised that the Bureau of the Budget would interpose no objection to the transmission of this report to your committee.

Sincerely yours,

FREDERICK H. MUELLER,
Secretary of Commerce.

DEPARTMENT OF JUSTICE,
BUREAU OF PRISONS,
Washington, August 26, 1959.

HON. TOM MURRAY,
Chairman, Post Office and Civil Service Committee,
House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: Should your committee decide to consider widening the scope of Senate 1845 to include requests of agencies for supergrade jobs other than those covered by the Senate bill, I hope very much you will consider giving statutory authorization for supergrade jobs already allowed the Federal Prison Service by the Civil Service Commission and some additional positions not included in S. 1845.

We have submitted to the committee staff requests for 12 jobs in grade GS-16, 4 in grade GS-17, and 1 in grade GS-18. If these are granted it will enable us to place 9 of our 31 wardens in grade 16. These will be the wardens in charge of our largest and most difficult institutions. Two of the grade 16 positions would be allocated to our Prison Industries and one would be for the head of our Prisoner Classification Division. It will also permit allocation of three Assistant Directors of the Bureau and one special adviser on sentencing in grade 17 and a Deputy Director in grade 18.

Our service is growing steadily in size and responsibilities. Able and courageous administrators and professional personnel of the highest competence are required for its operation.

All of the supergrade jobs will go to experienced individuals selected from the 5,000 career members of our service.

The added cost of these upgradings will not exceed \$12,000 to \$15,000 out of a total budget for our service that is now approximately \$60 million. For this small amount a tremendous morale boost can be given a service that has steadfastly carried out the orders of the court without fear or favor.

We will be grateful for whatever you feel you can do.

With kind personal regards,

Sincerely,

_____, Director.

AMENDMENT OF S. 1845 TO COVER ALL SUPERGRADE JOBS IN THE PRISON SERVICE

The Attorney General is authorized to place 12 positions in grade GS-16; 4 positions in grade GS-17; and 1 position in grade GS-18 in the Bureau of Prisons and Federal Prison Industries, Inc., and to fix the rate of basic compensation at per annum rates not in excess of the maximum scheduled per annum rate of compensation provided for the respective grades of the general schedule.

Re supergrade jobs for prison service

	Number now allocated by statute and Civil Service	Number re- quested in S. 1845
Grade 16.....	6	12
Grade 17.....	2	4
Grade 18.....		1

This will enable the Attorney General to place in grade 16 the wardens of the nine major Federal prisons, including Atlanta, Leavenworth, Alcatraz, Lewisburg, McNeil Island, Terre Haute, Chillicothe, El Reno, and Lumpoc; a Deputy Assistant Director and two positions in Federal Prison Industries; three Assistant Directors and one special adviser on sentencing in grade 17; and one Deputy Director in grade 18.

ADMINISTRATIVE OFFICE OF THE U.S. COURTS,
Washington, D.C., August 5, 1959.

Hon. JAMES C. DAVIS,
House of Representatives, Washington, D.C.

DEAR JUDGE DAVIS: There is attached a proposed amendment which the Judicial Conference of the United States would like to have included as a part of S. 1845, if it meets with your approval.

The purpose of subsection (a) is merely to change the title of "Assistant Director of the Administrative Office of the U.S. Courts" to "Deputy Director," to reflect more accurately the level of responsibility assigned and to effect a greater uniformity in title with similar positions in other Federal agencies. This is a technical amendment and would not result in an increase in personnel, positions, or expenditures. This proposal was included in a bill during the last session of Congress and was passed by the Senate, but it was too late to obtain action in the House of Representatives.

Subsection (b) would provide the Administrative Office with the authority to hire an expert or consultant on a temporary basis to assist in organizing and conducting the study directed by Congress of the Federal rules of practice and procedure in the fields of civil, criminal, admiralty, bankruptcy, and appeals (72 Stat. 356). As you know, such authority was placed by the Senate in H.R. 7343, the appropriations bill, but was deleted in the conference between the House and Senate as involving substantive legislation. This authority would make it possible to hire on occasion an expert or consultant renowned in his respective field of the law and to fully benefit from his knowledge and experience without having to place such an individual on the Federal payroll on a permanent basis. Expenditures under this authority would, of course, be minimal.

Any consideration that you may be able to give this request will be greatly appreciated.

Sincerely yours,

WARREN OLNEY III, *Director.*

AMENDMENT Intended to be proposed by Mr. _____ to the bill (S. 1845) to amend title 35 of the United States Code relating to patents, viz: At the end of the bill add the following new section:

SEC. 5. (a) (1) Sections 601, 603, and 606 of title 28 of the United States Code are amended by striking out the words "Assistant Director" wherever they appear in such sections, and inserting in lieu thereof the words "Deputy Director".

(2) The analysis at the beginning of chapter 41 of such title is amended by striking out the words "Assistant Director" in the items

thereof relating to sections 601 and 606 and inserting in lieu thereof the words "Deputy Director".

(3) Whenever the Assistant Director of the Administrative Office of the United States Courts is referred to in any other Act, such reference shall be deemed to be to the Deputy Director of the Office of the United States Courts.

(b) The Director of the Administrative Office of the United States Courts may, in accordance with the provisions of section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), procure the temporary or intermittent services of experts or consultants at rates not in excess of \$75 per diem.

U.S. COURT OF MILITARY APPEALS,
August 25, 1959.

Hon. TOM MURRAY,
Chairman, Post Office and Civil Service Committee,
House of Representatives, Washington, D.C.
(Attention of Hon. James C. Davis, chairman of the Civil Service Subcommittee.)

DEAR CONGRESSMAN: I am herewith forwarding for your information a copy of a letter sent to the Senate Post Office and Civil Service Committee, as well as a copy of the statement accompanying it. These were sent in an effort to have the U.S. Court of Military Appeals included in the provisions of H.R. 6059, which provides additional supergrade positions for the Department of Defense. Our situation is one for which I have been endeavoring to obtain relief for several years as you will note from the enclosures.

These enclosures are being sent to you in order that you will be fully advised in the premises. I also wish to emphasize that there was no intention on the part of the court to bypass your committee. It appears that at the time your committee was considering the bill, our court was trying to obtain relief from the House Appropriations Committee. That committee noted it was in complete sympathy with the court but that the matter was one for a legislative committee. I only learned of this bill after the passage by the House. I, thereafter, immediately took the action indicated by the enclosures.

I am presently advised that the Senate committee has our request under advisement. In the event there is favorable action by the Senate and if this matter goes to conference, I will appreciate the consideration of you and your committee in the premises.

With warmest regards and assurances of my high esteem.

Sincerely yours,

ROBERT E. QUINN, *Chief Judge.*

JULY 22, 1959.

Hon. OLIN D. JOHNSTON,
Chairman, Committee on Post Office and Civil Service,
U.S. Senate, Washington, D.C.
(Attention: Hon. Ralph W. Yarborough, Chairman, Civil Service Subcommittee.)

DEAR SENATOR: The U.S. Court of Military Appeals requests that your committee give consideration to the allocation of two positions for the court in H.R. 6059, which was recently passed by the House and referred to your committee for action.

As chief judge, I urge that the two positions requested—one for the chief commissioner and the other for the clerk of the court—are fully justified. These two key officers were invaluable in the organization of the court in 1951 and have substantial responsibilities in insuring the successful and efficient day-to-day operations of the court.

I am attaching a detailed justification and will appreciate favorable consideration by the committee.

Sincerely yours,

MEMORANDUM RE H.R. 6059

The U.S. Court of Military Appeals is vitally concerned in obtaining for its chief commissioner and the clerk of the court what it believes to be adequate compensation. Salary increases for these two officers of the court were approved in 1955 but the court has been unable to make such increases effective. This, therefore, is an effort to correct a situation which has existed for 4 years.

It is emphasized that this matter concerns only the internal operations of the court. In this regard it is noted that the Civil Service Commission asserts jurisdiction over the employees of the court although legislative and judicial employees are not ordinarily subject thereto. However, whether the Commission is right or wrong is not now important. The court is here concerned solely with obtaining relief for its two chief officers.

The U.S. Court of Military Appeals, oftentimes referred to as the GI Court is the final authority in a worldwide system of justice and has the highest caseload per judge of any Federal appeals court in the United States.¹ The court, in the performance of its duties, is required to give a de novo (civilian) review of the cases coming before it. The thoroughness of this review is best illustrated by the fact that out of 1,500 written opinions released to date, a total of approximately one-third has involved issues and errors which the court found on its own review and which were not raised by counsel petitioning the court for relief. The court feels that salaries commensurate with the high degree of skill required to operate and administer one of the busiest courts in the country must be paid to key employees in order to assure that justice will be rendered expeditiously in all cases coming before the court.

In regard to the court's negotiations with the Civil Service Commission in this matter, it might be noted that the chief commissioner was graded as a GS-16 in 1954, approximately 2 years after approval and request by the court. In addition, despite the court's steadfast insistence that it was an independent court, it was felt that justice to the employee was more important than any dispute with the Civil Service Commission. Therefore, in 1955 the court wrote the Commission, assuming jurisdiction *arguendo*, and requested two supergrades for the chief commissioner and the clerk of the court. This request was made in view of the substantial increase in the number of top jobs provided for in the 1955 act. Eight months later, the Commission replied stating that they were sorry but that no action could be taken in view of the limited number of supergrade positions, but that they

¹ The three-judge court is composed of Chief Judge Robert E. Quinn, former Governor and judge of the superior court of Rhode Island; Judge George W. Latimer, formerly of the supreme court of Utah; and Judge Homer Ferguson, former Senator from Michigan and Ambassador to the Philippines. The judges are compensated the same as Federal circuit court judges (\$25,500 per annum).

would keep the court in mind. Again in June of 1958, because of the additional increase in the number of supergrades in the 1958 Salary Act, the court requested two supergrades. Four months later the Commission replied that they were sorry they could not accommodate the court. On neither occasion did the Commission make any assertion that the request and/or ratings were not justified.

This year the court attempted to obtain relief for the two officers by requesting the House Appropriations Committee to provide the necessary authority to effect the promotions, but that committee, while completely in sympathy, suggested that the matter could be better handled by a legislative committee.

The only hope therefore for immediate relief is to include the court specifically in H.R. 6059, which passed the House and has been referred to the Senate Post Office and Civil Service Committee. This bill provides for a total of 227 super or "extra" grade positions in the Department of Defense as a whole. The court merely requests that two of these positions be reserved for it. Providing these two positions in the defense bill would be in accord with the provisions of section 867 of title 10, which locates the court in the Department of Defense for administrative (housekeeping) purposes. It is noted that this arrangement is similar to that previously existing when the Department of Justice performed such administrative functions for all Federal courts. No request for relief was made in the House on H.R. 6059 due to the fact that the court then felt relief would be obtained in their appropriation bill.

In brief, the court would like the committee to add an amendment to H.R. 6059 by adding as subsection (4) of section 2(a) substantially the following:

"(4) Provided that two of the said positions are hereby assigned to the United States Court of Military Appeals, as of the effective date of this Act, for allocation by the court at salaries, as approved by the court, not in excess of those provided by law, and without regard to Civil Service approval of the rates."

or whatever language the committee deems appropriate.

CIVIL SERVICE COMMISSION,
Washington, D.C., August 20, 1959.

HON. TOM MURRAY,
Chairman, Committee on Post Office and Civil Service,
House of Representatives, Washington, D.C.

DEAR MR. MURRAY: This is in further reference to your letter of August 3, 1959, requesting the views of the Civil Service Commission on H.R. 8479, a bill to provide for the establishment of rates of basic compensation for certain positions in the Patent Office in the Department of Commerce, and for other purposes.

The Commission does not object to enactment of this legislation.

Sections 1 and 2 of the bill would exclude examiners in chief and designated examiners in chief from the Classification Act of 1949 and would authorize the Secretary of Commerce to fix the rates of basic compensation for these positions at per annum rates not in excess of

the maximum scheduled rate of grade GS-17 of the Classification Act (now \$16,335). At the request of your committee, the Commission has recently studied the positions of examiners in chief and has concluded that the proper level of the present duties is grade GS-16.

Section 3 protects against any change in the existing positions of examiners in chief, the compensation attached thereto, and incumbents until basic pay rates are established by the Secretary of Commerce under section 2. This is a necessary provision to span the transition period between the effective date of the bill and the date the Secretary of Commerce exercises his pay-fixing authority.

Subsection (a) of section 4 fixes at \$19,000 per annum the salary of the Administrative Assistant Secretary in the Department of the Interior, Department of Agriculture, Department of Labor, and Department of the Treasury, respectively, and the Administrative Assistant Attorney General, Department of Justice.

The Commission regards this as a sound proposal. The Commission further considers as very desirable the inclusion of such provisions in the one basic statute which covers generally the compensation of top level positions in the Federal service. Therefore, the committee may wish to consider the inclusion of these positions under subsection (b) of section 106 of the Federal Executive Pay Act of 1956, as amended (5 U.S.C. 2205(b)). The following draft of language would accomplish this objective:

"SEC. 4. (a) Section 106(b) of the Federal Executive Pay Act of 1956, as amended (5 U.S.C. 2205(b)), is further amended by adding the following new paragraphs:

- "(10) Administrative Assistant Attorney General.
- "(11) Administrative Assistant Secretary of the Interior.
- "(12) Administrative Assistant Secretary of Agriculture.
- "(13) Administrative Assistant Secretary of Labor.
- "(14) Administrative Assistant Secretary of the Treasury.' "

Subsection (b) of section 4 authorizes the Attorney General to place a total of three positions in the Bureau of Prisons in grade GS-17. These positions would be in addition to the number authorized to be placed in that grade by subsection 505(b) of the Classification Act. It is our understanding that this authorization is intended to apply to the three Assistant Directors of the Bureau of Prisons in order to establish a proper salary alinement of the top positions within the Bureau. By recent action of the Commission, two of the Assistant Director positions have been placed in GS-17; the third is in GS-16.

We have been advised by the Bureau of the Budget that it has no objection to the submission of this report.

By direction of the Commission:

Sincerely yours,

ROGER W. JONES, *Chairman.*

CHANGES IN EXISTING LAW

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as passed by the Senate, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

SECTIONS 202 AND 505 OF THE CLASSIFICATION ACT OF 1949

(5 U.S.C. 1082 and 1105)

SEC. 202. This Act (except title XII) shall not apply to—

(1) the field service of the Post Office Department, for which the salary rates are fixed by Public Law 134, Seventy-ninth Congress, approved July 6, 1945, as amended and supplemented;

(2) the Foreign Service of the United States under the Department of State, for which the salary rates are fixed by the Foreign Service Act of 1946, as supplemented by Public Law 160, Eight-first Congress, approved July 6, 1949; and positions in or under the Department of State which are (A) connected with the representation of the United States to international organizations; or (B) specifically exempted by law from the Classification Act of 1923, as amended, or any other classification or compensation law;

(3) physicians, dentists, nurses, and other employees in the Department of Medicine and Surgery in the Veterans' Administration, whose compensation is fixed under chapter 73 of title 38, United States Code;

(4) teachers, school officers, and employees of the Board of Education of the District of Columbia, whose compensation is fixed under the District of Columbia Teachers' Salary Act of 1947, as supplemented by Public Law 151, Eighty-first Congress, approved June 30, 1949; and the chief judge and the associate judges of the Municipal Court of Appeals for the District of Columbia, and of the Municipal Court for the District of Columbia;

(5) officers and members of the Metropolitan Police, the Fire Department of the District of Columbia, the United States Park Police, and the White House Police;

(6) lighthouse keepers and civilian employees on lightships and vessels of the Coast Guard, whose compensation is fixed under authority of section 432 (f) and (g) of title 14 of the United States Code;

(7) employees in recognized trades or crafts, or other skilled mechanical crafts, or in unskilled, semiskilled, or skilled manual-labor occupations, and other employees including foremen and supervisors in positions having trade, craft, or laboring experience and knowledge as the paramount requirement, and employees in the Bureau of Engraving and Printing the duties of whom are to perform or to direct manual or machine operations requiring special skill or experience, or to perform or direct the counting, examining, sorting, or other verification of the product of manual or machine operations: *Provided*, That the compensation of such employees shall be fixed and adjusted from time to time as nearly as is consistent with the public interest in accordance with prevailing rates: *Provided further*, That whenever the Civil Service Commission concurs in the opinion of the employing agency that in any given area the number of such employees is so few as to make prevailing rate determinations impracticable, such employee or employees shall be subject to the provisions of this Act which are applicable to positions of equivalent difficulty or responsibility.

(8) officers and members of crews of vessels, whose compensation shall be fixed and adjusted from time to time as nearly as is consistent with the public interest in accordance with prevailing rates and practices in the maritime industry;

(9) employees of the Government Printing Office whose compensation is fixed under Public, Numbered 276, Sixty-eighth Congress, approved June 7, 1924;

(10) civilian professors, lecturers, and instructors at the Naval War College and the Naval Academy whose compensation is fixed under Public Law 604, Seventy-ninth Congress, approved August 2, 1946, senior professors, professors, associate and assistant professors, and instructors at the Naval Postgraduate School whose compensation is fixed under Public Law 303, Eightieth Congress, approved July 31, 1947; and the Academic Dean of the Postgraduate School of the Naval Academy whose compensation is fixed under Public Law 402, Seventy-ninth Congress, approved June 10, 1946;

(11) aliens or persons not citizens of the United States who occupy positions outside the several States and the District of Columbia;

(12) the Tennessee Valley Authority;

(13) the Inland Waterways Corporation;

(14) the Alaska Railroad;

(15) the Virgin Islands Corporation;

(16) the Central Intelligence Agency;

(17) the Atomic Energy Commission;

(18) Production Credit Corporations;

(19) Federal Intermediate Credit Banks;

(20) the Panama Canal Company;

(21) (A) employees of any department who are stationed in the Canal Zone and (B) upon approval by the Civil Service Commission of the request of any department which has employees stationed in both the Republic of Panama and the Canal Zone, employees of such department who are stationed in the Republic of Panama;

(22) employees who serve without compensation or at nominal rates of compensation;

(23) employees none or only part of whose compensation is paid from appropriated funds of the United States: *Provided*, That with respect to the Veterans' Canteen Service in the Veterans' Administration, the provisions of this paragraph shall be applicable only to those positions which are exempt from the Classification Act of 1949, pursuant to section 4202 of title 38, United States Code;

(24) employees whose compensation is fixed under a cooperative agreement between the United States and (A) a State, Territory, or possession of the United States, or political subdivision thereof, or (B) a person or organization outside the service of the Federal Government;

(25) student nurses, medical or dental interns, residents-in-training, student dietitians, student physical therapists, student occupational therapists, and other student employees, assigned or attached to a hospital, clinic, or laboratory primarily for training purposes, whose compensation is fixed under Public

Law 330, Eightieth Congress, approved August 4, 1947, or section 4114(b) of title 38, United States Code;

(26) inmates, patients, or beneficiaries receiving care or treatment or living in Government agencies or institutions;

(27) experts or consultants, when employed temporarily or intermittently in accordance with section 15 of Public Law 600, Seventy-ninth Congress, approved August 2, 1946;

(28) emergency or seasonal employees whose employment is of uncertain or purely temporary duration, or who are employed for brief periods at intervals;

(29) persons employed on a fee, contract, or piece work basis;

(30) persons who may lawfully perform their duties concurrently with their private profession, business, or other employment, and whose duties require only a portion of their time, where it is impracticable to ascertain or anticipate the proportion of time devoted to the service of the Federal Government;

(31) positions for which rates of basic compensation are individually fixed, or expressly authorized to be fixed, by any other law, at or in excess of the maximum scheduled rate of the highest grade established by this Act;

(32) the National Security Agency.

[(32) (33) "teachers" and "teaching positions" as defined in the Defense Department Overseas Teachers Pay and Personnel Practices Act.];

(34) *examiners-in-chief and designated examiners-in-chief in the Patent Office in the Department of Commerce.*

* * * * *

SEC. 505. (a) No position shall be placed in grade 16, 17, or 18 of the General Schedule except by action of, or after prior approval by, a majority of the Civil Service Commissioners.

(b) Subject to subsections (c), (d), and (e) of this section, a majority of the Civil Service Commissioners are authorized to establish and, from time to time, revise the maximum number of positions (not to exceed fourteen hundred and eighty-three) which may be in grades 16, 17, and 18 of the General Schedule at any one time, except that under such authority such maximum number of positions shall not exceed three hundred and ninety-seven for grade 17 and one hundred and fifty-seven for grade 18.

(c) The number of positions of senior specialists in the Legislative Reference Service of the Library of Congress allocated to grades 16, 17, and 18 of the General Schedule by reason of the proviso contained in section 203 (b) (1) of the Legislative Reorganization Act of 1946 (60 Stat. 836; 2 U.S.C., sec. 166 (b)(1)) shall be in addition to the number of positions authorized to be placed in such grades by subsection (b).

(d) The Comptroller General of the United States is authorized, subject to the procedures prescribed by this section, to place a total of twenty-five positions in the General Accounting Office in grades 16, 17, and 18 of the General Schedule. Such positions shall be in addition to the number of positions authorized to be placed in such grades by subsection (b).

(e) The Director of the Federal Bureau of Investigation, United States Department of Justice, is authorized, without regard to any

other provision in this section, to place a total of seventy-five positions in the Federal Bureau of Investigation in grades 16, 17, and 18 of the General Schedule. Such positions shall be in addition to the number of positions authorized to be placed in such grades by subsection (b).

(f) The National Security Council is authorized, subject to the procedures prescribed by this section, to place two additional positions in grade 18, one additional position in grade 17, and two additional positions in grade 16 of the general schedule. Such positions shall be in addition to the number of positions authorized to be placed in such grades by subsection (b).

(f) The Director of the Administrative Office of the United States Courts is authorized to place a total of four positions in grade 17 of the General Schedule. Such positions shall be in addition to the number of positions authorized to be placed in such grade by subsection (b).

(g) The Commissioner of Immigration and Naturalization is authorized to place a total of eleven positions in grade 17 of the General Schedule. Such positions shall be in addition to the number of positions authorized to be placed in such grade by subsection (b).

(h) In any case in which, subsequent to February 1, 1958, provisions are included in a general appropriation Act authorizing an agency of the Government to place additional positions in grade 16, 17, or 18, the total number of positions authorized by this section to be placed in such grades shall, unless otherwise expressly provided, be deemed to have been reduced by the number of positions authorized by such provisions to be placed in such grades. Such reduction shall be deemed to have occurred in the following order: first, from any number specifically authorized for such agency under this section, and second, from the maximum number of positions authorized to be placed in such grades under subsection (b) irrespective of the agency to which such positions are allocated.

(i) Appointments to positions in grades 16, 17, and 18 of the General Schedule shall be made only upon approval by the Civil Service Commission of the qualifications of the proposed appointees, except that this subsection shall not apply to those positions—

(1) provided for in subsection (e) of this section;

(2) to which appointments are made by the President alone or by the President by and with the advice and consent of the Senate; and

(3) for which the compensation is paid from (A) appropriations for the Executive Office of the President under the headings "The White House Office," "Special Projects," "Council of Economic Advisers," "National Security Council," "Office of Defense Mobilization," and "President's Advisory Committee on Government Organization," or (B) funds appropriated to the President under the heading "Emergency Fund for the President, National Defense" by the General Government Matters Appropriation Act, 1959, or any subsequent Act making appropriations for such purposes.

(j) *The Attorney General is authorized to place a total of three positions in the Bureau of Prisons in grade 17 of the General Schedule. Such positions shall be in addition to the number of positions authorized to be placed in such grade by subsection (b).*

SECTION 3 OF TITLE 35 OF THE UNITED STATES CODE

CHAPTER 1.—ESTABLISHMENT; OFFICERS, FUNCTIONS

§ 3. Officers and employees

A Commissioner of Patents, one first assistant commissioner, two assistant commissioners, and not more than fifteen examiners-in-chief, shall be appointed by the President, by and with the advice and consent of the Senate. The assistant commissioners shall perform the duties pertaining to the office of commissioner assigned to them by the Commissioner. The first assistant commissioner, or, in the event of a vacancy in that office, the assistant commissioner senior in date of appointment, shall fill the office of Commissioner during a vacancy in that office until a Commissioner is appointed and takes office. The Secretary of Commerce, upon the nomination of the Commissioner in accordance with law, shall appoint all other officers and employees. *The Secretary of Commerce is authorized to fix the rates of basic compensation of examiners-in-chief and designated examiners-in-chief in the Patent Office, at per annum rates not in excess of the maximum scheduled per annum rate of compensation provided for positions in grade 17 of the General Schedule under the Classification Act of 1949, as amended.*

The Secretary of Commerce may vest in himself the functions of the Patent Office and its officers and employees specified in this title and may from time to time authorize their performance by any other officer or employee.

The annual rate of compensation of the Commissioner shall be \$20,000.



86TH CONGRESS
1ST SESSION

S. 1845

[Report No. 1138]

IN THE HOUSE OF REPRESENTATIVES

JULY 30, 1959

Referred to the Committee on Post Office and Civil Service

SEPTEMBER 3, 1959

Reported with amendments, committed to the Committee of the Whole House
on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italic]

AN ACT

To provide for the establishment of rates of basic compensation
for certain positions in the Patent Office in the Department
of Commerce, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*

2 *tives of the United States of America in Congress assembled,*

3 That section 202 of the Classification Act of 1949, as

4 amended (5 U.S.C. 1082), is amended by redesignating the

5 paragraph thereof which was added by the Defense Depart-

6 ment Overseas Teachers Pay and Personnel Practices Act as

7 paragraph (33), and by changing the period at the end of

8 such subsection to a semicolon and adding the following

9 new paragraph:

10 ~~“(34) examiners in chief and designated examiners-~~

1 in-chief in the Patent Office in the Department of Com-
2 merce.”

3 SEC. 2. The first paragraph of section 3 of title 35,
4 United States Code, is amended by adding at the end thereof
5 the following new sentence: “The Secretary of Commerce
6 is authorized to fix the rates of basic compensation of exami-
7 ners-in-chief and designated examiners-in-chief in the Patent
8 Office, at per annum rates not in excess of the maximum
9 scheduled per annum rate of compensation provided for
10 positions in grade 17 of the General Schedule under the
11 Classification Act of 1949, as amended.”

12 SEC. 3. The enactment of the amendments made by the
13 first section and section 2 of this Act shall not affect—

14 (1) any position of examiner-in-chief in the Patent
15 Office in the Department of Commerce existing immedi-
16 ately prior to the date of enactment of this Act,

17 (2) the compensation attached to such position of
18 examiner-in-chief, or

19 (3) any incumbent of such position, his appointment
20 thereto, or his right to receive the compensation attached
21 thereto.

22 until appropriate action is taken under authority of the
23 amendment made by section 2 of this Act.

24 SEC. 4. (a) The rate of basic compensation of the Ad-
25 ministrative Assistant Attorney General, the Administrative

1 Assistant Secretary of the Interior, the Administrative As-
 2 sistant Secretary of Agriculture, the Administrative Assist-
 3 ant Secretary of Labor, and the Administrative Assistant
 4 Secretary of Treasury shall be \$19,000 per annum.

5 ~~(b)~~ Section 505 of the Classification Act of 1949, as
 6 amended, is amended by adding at the end thereof a new
 7 subsection as follows:

8 “~~(j)~~ The Attorney General is authorized to place a
 9 total of three positions in the Bureau of Prisons in grade 17
 10 of the General Schedule. Such positions shall be in addition
 11 to the number of positions authorized to be placed in such
 12 grade by subsection ~~(b)~~.”

13 POSITIONS OF EXAMINER-IN-CHIEF AND DESIGNATED
 14 EXAMINER-IN-CHIEF IN THE PATENT OFFICE

15 SECTION 1. (a) Section 3 of title 35 of the United
 16 States Code is amended by adding at the end thereof the
 17 following sentence: “The Secretary of Commerce is author-
 18 ized to fix the per annum rate of basic compensation of each
 19 examiner-in-chief in the Patent Office at not in excess of the
 20 maximum scheduled rate provided for positions in grade 17
 21 of the General Schedule of the Classification Act of 1949,
 22 as amended.”.

23 (b) The last sentence of section 7 of title 35 of the
 24 United States Code is amended to read as follows: “The
 25 Secretary of Commerce is authorized to fix the per annum

1 rate of basic compensation of each designated examiner-in-
2 chief in the Patent Office at not in excess of the maximum
3 scheduled rate provided for positions in grade 16 of the
4 General Schedule of the Classification Act of 1949, as
5 amended. The per annum rate of basic compensation of
6 each designated examiner-in-chief shall be adjusted, at the
7 close of the period for which he was designated to act as
8 examiner-in-chief, to the per annum rate of basic compen-
9 sation which he would have been receiving at the close of
10 such period if such designation had not been made.”.

11 (c) The amendments made by this section shall not
12 affect—

13 (1) any position of examiner-in-chief or designated
14 examiner-in-chief existing immediately prior to the effec-
15 tive date of this section, or

16 (2) any incumbent of any such position, his ap-
17 pointment thereto, his rate of compensation, or his right
18 to receive such compensation,

19 until appropriate action is taken under authority of such
20 amendments.

21 POSITIONS IN GRADES 16, 17, AND 18 OF THE GENERAL
22 SCHEDULE OF THE CLASSIFICATION ACT OF 1949

23 SEC. 2. (a) Section 505 of the Classification Act of
24 1949, as amended (5 U.S.C. 1105), is amended by adding
25 at the end thereof the following:

1 “(k) *The Secretary of the Treasury (or his designee for*
2 *the purpose) is authorized, subject to the standards and pro-*
3 *cedures prescribed by this Act, to place a total of two hundred*
4 *and sixty positions in the Department of the Treasury in*
5 *grades 16, 17, and 18 of the General Schedule, as follows:*

6 “(1) *not more than one hundred and eighty-four*
7 *such positions shall be in such grades during the period*
8 *beginning on the date of enactment of this subsection and*
9 *ending on June 30, 1960;*

10 “(2) *not more than two hundred and twenty-two such*
11 *positions shall be in such grades during the period be-*
12 *ginning on July 1, 1960, and ending on June 30, 1961;*
13 *and*

14 “(3) *not more than two hundred and sixty such*
15 *positions shall be in such grades on and after July 1,*
16 *1961.”*

17 (b) *Section 505(b) of the Classification Act of 1949,*
18 *as amended (5 U.S.C. 1105(b)), is amended—*

19 (1) *by striking out “fourteen hundred and eighty-*
20 *three” and inserting in lieu thereof “fourteen hundred*
21 *and twenty-nine”;*

22 (2) *by striking out “three hundred and ninety-*
23 *seven” and inserting in lieu thereof “three hundred and*
24 *seventy-one”; and*

1 (3) by striking out "one hundred and fifty-seven"
 2 and inserting in lieu thereof "one hundred and fifty-
 3 three".

4 (c) Nothing contained in this section shall affect—

5 (1) any position existing under authority of section
 6 505(b) of the Classification Act of 1949, as in effect
 7 immediately prior to the date of enactment of this Act,
 8 or

9 (2) the compensation attached to any such position
 10 and any incumbent thereof, his appointment thereto, and
 11 his right to receive the compensation attached thereto,
 12 until appropriate action is taken under authority of sub-
 13 section (k) of section 505 of the Classification Act of 1949,
 14 as contained in the amendment made by subsection (a) of
 15 this section.

16 POSITIONS IN CERTAIN DEPARTMENTS AND AGENCIES SUB-
 17 JECT TO THE FEDERAL EXECUTIVE PAY ACT OF 1956

18 SEC. 3. (a) Section 106(a) of the Federal Executive
 19 Pay Act of 1956, as amended (5 U.S.C. 2205(a)), which
 20 prescribes an annual rate of basic compensation of \$20,000
 21 for certain positions, is amended by adding at the end thereof
 22 the following paragraphs:

23 “(46) Commissioner of Social Security.

24 “(47) Commissioner of Education.”.

25 (b) Section 106(b) of such Act, as amended (5 U.S.C.

1 2205(b)), which prescribes an annual rate of basic compen-
 2 sation of \$19,000 for certain positions, is amended by adding
 3 at the end thereof the following paragraphs:

4 “(10) Deputy Commissioner of the Internal Reve-
 5 nue Service.

6 “(11) Chief Counsel of the Internal Revenue Serv-
 7 ice.

8 “(12) Administrative Assistant Attorney General.

9 “(13) Administrative Assistant Secretary of the In-
 10 terior.

11 “(14) Administrative Assistant Secretary of Agri-
 12 culture.

13 “(15) Administrative Assistant Secretary of Labor.

14 “(16) Administrative Assistant Secretary of the
 15 Treasury.”.

16 (c) Section 107(a) of such Act, as amended (5 U.S.C.
 17 2206(a)), is amended by striking out “(1) Administrator,
 18 Agricultural Research Service, Department of Agriculture.”,
 19 “(18) Commissioner of Social Security.”, and “(20) Deputy
 20 Commissioner of the Internal Revenue Service.”.

21 ADDITIONAL SCIENTIFIC AND PROFESSIONAL POSITIONS
 22 FOR RESEARCH AND DEVELOPMENT PURPOSES

23 SEC. 4. (a) Subsection (e) of the first section of the Act
 24 of August 1, 1947 (Public Law 313, Eightieth Congress),
 25 as added by section 12(c) of the Federal Employees Salary

1 *Increase Act of 1958 (72 Stat. 213; Public Law 85-462),*
2 *is amended to read as follows:*

3 “(e) *The Secretary of Agriculture is authorized to estab-*
4 *lish and fix the compensation for not more than fifteen scien-*
5 *tific or professional positions in the Department of Agricul-*
6 *ture, each such position being established to effectuate those*
7 *research and development functions of such Department which*
8 *require the services of specially qualified personnel.”.*

9 “(b) *Subsection (f) of the first section of the Act of*
10 *August 1, 1947 (Public Law 313, Eightieth Congress), as*
11 *added by section 12(c) of the Federal Employees Salary*
12 *Increase Act of 1958 (72 Stat. 213; Public Law 85-462),*
13 *is amended to read as follows:*

14 “(f) *The Secretary of Health, Education, and Welfare*
15 *is authorized to establish and fix the compensation for not*
16 *more than ten scientific or professional positions in the De-*
17 *partment of Health, Education, and Welfare, each such posi-*
18 *tion being established to effectuate those research and develop-*
19 *ment functions of such Department which require the services*
20 *of specially qualified personnel.”.*

21 *REDESIGNATION OF THE POSITION OF ASSISTANT DIREC-*
22 *TOR OF THE ADMINISTRATIVE OFFICE OF THE UNITED*
23 *STATES COURTS*

24 *SEC. 5. (a) (1) Sections 601, 603, and 606 of title 28*
25 *of the United States Code are amended by striking out the*

1 words "Assistant Director" wherever they appear in such
2 sections and inserting in lieu thereof the words "Deputy
3 Director".

4 (2) The analysis at the beginning of chapter 41 of such
5 title is amended by striking out the words "Assistant Direc-
6 tor" in the items thereof relating to sections 601 and 606 and
7 inserting in lieu thereof the words "Deputy Director".

8 (3) Section 107(a) of the Federal Executive Pay Act
9 of 1956, as amended (5 U.S.C. 2206(a)), is amended by
10 striking out "(6) Assistant Director of the Administrative
11 Office of the United States Courts." and inserting in lieu
12 thereof "(6) Deputy Director of the Administrative Office
13 of the United States Courts."

14 (4) Whenever the Assistant Director of the Adminis-
15 trative Office of the United States Courts is referred to in
16 any other law, such reference shall be deemed to be to the
17 Deputy Director of the Administrative Office of the United
18 States Courts.

19 (b) The Director of the Administrative Office of the
20 United States Courts, may, in accordance with the provi-
21 sions of section 15 of the Administrative Expenses Act of
22 1946 (5 U.S.C. 55a), procure the temporary or intermit-
23 tent services of experts or consultants at rates not in excess
24 of \$75 per diem.

1

MISCELLANEOUS

2

SEC. 6. (a) *Section 202 of the Classification Act of 1949, as amended (5 U.S.C. 1082), is amended—*

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8

(1) by changing to a semicolon the period at the end of paragraph (32) of such section 202, which paragraph (32) was added to such section 202 by the first section of the Act of May 29, 1959 (73 Stat. 63; Public Law 86-36);

9

10

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13

(2) by redesignating, as paragraph (33) of such section 202, paragraph (32) thereof which was added by section 3 of the Defense Department Overseas Teachers Pay and Personnel Practices Act (73 Stat. 213; Public Law 86-91);

14

15

16

(3) by changing to a semicolon the period at the end of such paragraph (33), as redesignated by subparagraph (2) of this subsection; and

17

18

(4) by adding at the end of such section 202 the following paragraph:

19

20

21

“(34) examiners-in-chief and designated examiners-in-chief in the Patent Office in the Department of Commerce.”.

22

23

24

(b) Section 5(b) of the Defense Department Overseas Teachers Pay and Personnel Practices Act (73 Stat. 214; Public Law 86-91) is amended—

25

(1) by striking out “paragraph (32) of section 202

1 *of such Act, as added by section 3 of this Act,” and*
2 *inserting in lieu thereof “paragraph (33) of section*
3 *202 of such Act, added by section 3 of this Act,”; and*
4 *(2) by striking out “such paragraph (32)” and*
5 *inserting in lieu thereof “such paragraph (33)”.*

6 *EFFECTIVE DATES*

7 *SEC. 7. (a) This section, and sections 2, 4, and 5 of*
8 *this Act, shall become effective on the date of enactment of*
9 *this Act.*

10 *(b) Sections 1, 3, and 6 of this Act shall become effective*
11 *on the first day of the first pay period which begins after the*
12 *date of enactment of this Act.*

Amend the title so as to read: “An Act to provide for the reestablishment of the rates of basic compensation for certain Government positions, and for other purposes.”

Passed the Senate July 29, 1959.

Attest:

FELTON M. JOHNSTON,

Secretary.

AN ACT

To provide for the establishment of rates of basic compensation for certain positions in the Patent Office in the Department of Commerce, and for other purposes.

JULY 30, 1959

Referred to the Committee on Post Office and Civil Service

SEPTEMBER 3, 1959

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For Department
Staff Only)

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For actions of September 7, 1959
86th-1st, No. 157

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HIGHLIGHTS: Senate passed Public Law 480 bill. House passed bills to: Increase salaries of Administrative Assistant Secretaries; permit harvesting of hay on conservation reserve acreage in drought areas.

HOUSE

1. SOIL BANK; DISASTER RELIEF. Passed as reported H. R. 8578, to amend the Soil Bank Act so as to authorize the Secretary to permit the harvesting of hay on conservation reserve under certain conditions (p. 16901). The bill would authorize the Secretary to permit the cutting and local sale of hay on conservation reserve (crops on which cannot be harvested) acreage by the ASC county committee in cases of natural disasters.
2. PERSONNEL. Passed as reported S. 1845, to revise the basic rates of compensation for certain Government positions (pp. 16908-9). The bill as passed includes the following provisions: Increases the salaries of certain Administrative Assistant Secretaries, including this Department, to \$19,000 per annum. Authorizes the Secretary of Agriculture to establish not more than 15 scientific research and development positions in the Department under Public Law 313 at salaries between \$12,500 and \$19,000 (this represents an increase of 10 such

(over)

positions for this Department). Removes the position of Administrator of the Agricultural Research Service from the Executive Pay Act of 1956 and permits his salary to be fixed within the salary range under Public Law 313. Authorizes the Secretary of the Treasury to establish an additional 114 positions, on a graduated scale, in grades 16, 17, and 18. Reduces the number of positions in grades 16, 17, and 18 available to the Civil Service Commission for allocation to the departments and agencies by 87 as a result of allocation of additional positions to Treasury. Authorizes an additional 5 Public Law 313 positions for the Department of Health, Education and Welfare.

3. TRAVEL. Debated H. R. 5196, to increase, from \$12 to \$15, the maximum rates of per diem allowance for regular Government employees on official business (pp. 16916-21). The House voted 73 to 17 to suspend the rules and pass the bill, but on the ground that a quorum was not present, Rep. Barry objected to the vote, and the final vote was postponed until today (Sept. 8) (p. 16920)
4. AGRICULTURAL ATTACHES. Passed over, at the request of Rep. Gross, H. R. 8074, to permit the assignment of agricultural attaches to duty in the U. S. for a maximum of four years without reduction in grade. p. 16898
5. ACREAGE ALLOTMENTS. Passed, under suspension of the rules, H. R. 8343, relating to the preservation of acreage allotments on land from which the owner is displaced by reason of the acquisition thereof by a Government agency in the exercise of the right of eminent domain (pp. 16914-5). Rep. Albert stated that the bill "would make it compulsory for the Government to give a man whose land has been taken over" by the Government his farm acreage allotment on that land if he leases it back from the Government (pp. 16914).
6. FARM PROGRAM. Rep. McGovern expressed regret at what he termed the "few voices ... championing the cause of the present day farmer," and charged that Secretary Benson "seems to have enlisted on the side of the detractors rather than the defenders." He announced his intention to speak today (Sept. 8) on the "weaknesses in the Benson farm policies." pp. 16957-8
7. EXECUTIVE PRIVILEGE; INFORMATION. Rep. Meader charged that Congress is having increasing difficulties in making intelligent judgments because of "a refusal on the part of agencies and departments of the Government to provide information to Congress and inserted an article on the subject. pp. 16921-2
Rep. Udall commended and inserted an article, "A Call for Quick Action ... Editors Must Cooperate with Congressmen in the Fight to Open Records of Government Agencies." pp. 16947-8
8. MINERALS. Conferees were appointed on S. 2181, to amend the Mineral Leasing Act of 1920 so as to modify oil, gas, coal, and certain other mineral leasing requirements and conditions (p. 16897). Senate conferees have already been appointed.
9. COCONUT OIL. Passed over, at the request of Rep. Gross, H. J. Res. 441, relating to the disposition of coconut oil from the national stockpile under the Strategic and Critical Materials Stock Piling Act. p. 16897
10. WILDLIFE. Passed over, at the request of Rep. Weaver, H. R. 2565, to promote effectual planning, development, maintenance, and coordination of wildlife, fish, and game conservation and rehabilitation in military reservations. p. 16898
Passed over, at the request of Rep. Rivers, H. R. 7045, to authorize the establishment of the Arctic Wildlife Range, Alaska. p. 16898

unanimous consent, I insert in the RECORD the fine statement of Dr. Walter A. Bloedorn, president of the Gorgas Memorial Institute of Tropical and Preventive Medicine, Inc.:

STATEMENT OF WALTER A. BLOEDORN, M.D., PRESIDENT, GORGAS MEMORIAL INSTITUTE OF TROPICAL AND PREVENTIVE MEDICINE, INC., BEFORE THE SUBCOMMITTEE ON INTER-AMERICAN AFFAIRS, COMMITTEE ON FOREIGN AFFAIRS

I am Dr. Walter A. Bloedorn, formerly dean of the School of Medicine of George Washington University and medical director of the George Washington University Hospital. Since 1957 I have been president of the Gorgas Memorial Institute of Tropical and Preventive Medicine, and am appearing before you in that capacity.

S. 2219 and the House bill, H.R. 8016, which are identical bills, would (1) authorize an annual appropriation up to \$250,000 for support of the Gorgas Memorial Institute, as compared with the present authorization of \$150,000, and (2) authorize appropriations for construction and equipment of facilities.

The Gorgas Memorial Institute was named for a great general who made it possible to build the Panama Canal by the conquest of yellow fever and malaria. It was created in 1928 when legislation was passed permitting an annual authorization for the support of the Institute. In 1930, Panama ceded in perpetuity to the Gorgas Memorial Institute a parcel of land and a building constructed thereon originally intended to serve as a medical school. The plot of land comprises an entire city block which today is valued at over a quarter of a million dollars. The building was converted to a laboratory by the installation of utilities and equipment appropriate for research use. In its early years, there were only a few professional employees of the Laboratory so that the building itself could house animal quarters, insectaries, and laboratory space for visiting investigators.

During the last decade, increases in size of the professional staff were made possible by constructing a temporary building for the housing of laboratory animals and an insectary for rearing vectors and, unfortunately, by restricting the number of visiting scientists using the facilities.

ORGANIZATION

The Gorgas Memorial Institute is incorporated under the laws of the State of Delaware and is governed by a Board of Directors which includes the Ambassador of Panama, the Surgeons General of the Army, Navy, Air Force, and Public Health Service, presidents of selected professional organizations, and a group of elected directors. The Board of Directors meets annually and determines the policies of the Institute. The officers serve without compensation. The Gorgas Memorial Laboratory is the operating arm of the Institute and its entire staff is located in Panama. A Scientific Advisory Board assists in developing the research programs.

PERSONNEL

The Laboratory employs nine professional personnel, most of whom enjoy international scientific reputations. The Laboratory has been fortunate in the low turnover rate of its scientists which has provided a unique stability permitting long-term investigations. Until a few years ago, salaries were far below those of comparable research positions elsewhere with no provision for retirement. The Board of Directors at its annual meeting in 1954 approved a pay schedule more commensurate with that of comparable research workers in the United States and approved a contributory retirement plan. These actions are providing an even greater degree of stability than that of the past.

In my opinion, the staff is not only highly competent and well qualified, but has an

eminence unexcelled anywhere in a small research laboratory. With such a staff, we can predict a continued output of highly significant research findings.

FINANCE

The major portion of the financial support of the Institute is appropriated by the Congress, but some funds are received from contracts with nongovernmental organizations (United Fruit Co.). Research funds available under the Gorgas authorization are augmented by research grants from the National Institutes of Health.

FUNCTIONS

The Laboratory was created to serve both the United States and Panama in research on those diseases which require a base of operations in a tropical area. The results are reported to the Congress annually. A perusal of these reports amply demonstrates the high quality of the work being performed. However, annual reporting may not give a proper perspective to the value and importance of the work. To illustrate, I will discuss research on two of the diseases—malaria and yellow fever—which have received the attention of the laboratory.

Early work in the laboratory consisted of evaluating a new German synthetic chemical—atabrine—against the malaria. Until 1930, quinine was the only available drug against this disease.

The director of the laboratory at that time, Dr. Herbert Clark, surveyed the malaria incidence among natives in Chagres River villages and then divided the villages into groups treating some with quinine and some with atabrine. During the next decade, Dr. Clark obtained information on the value and limitations of atabrine as both a prophylactic and treatment agent against malaria.

This work took on an unanticipated importance in World War II, when U.S. imports of quinine were stopped and it became necessary to use another drug to supplement the diminishing supply of quinine to protect U.S. troops fighting in the South Pacific. During the early years of World War II, the United States therefore was forced to substitute atabrine for quinine, a substitution made possible by the investigations of Gorgas Memorial Laboratory.

In 1948, the yellow fever reappeared in Panama for the first time since 1905. In succeeding years, the yellow fever virus moved northward through the isthmus, up Central America, progressing at an average rate of 13 miles a month. This extension of yellow fever resulted from infections in monkeys transmitted by treetop mosquitoes with man as an incidental host. The Laboratory collected and identified mosquitoes transmitting the disease and studied their ecology. It also studied the mammalian hosts of the infection. These findings contributed greatly to the factual knowledge available today for prognosticating the movements of jungle yellow fever and for the scientific basis upon which it is hoped procedures can be developed. Much more needs to be done because there is epidemiological evidence that a mammal other than monkeys can serve as a reservoir of the virus, and mosquitoes presently not incriminated can transmit the disease, and because the mechanics of survival of the virus during climatically unfavorable periods are unknown.

While the major mission of the Laboratory is in the field of medical research, it also performs valuable service functions. It has, since its creation, been host to visiting medical scientists from the United States whose research endeavors carried them into the Tropics. Generally one, two, or even three such scientists are provided with Laboratory facilities for limited periods. The Laboratory also serves as a training station for U.S. physicians interested in tropical medicine who have traveling fellowships. Fellowships

administered by the dean of LSU Medical School have included time spent in the Laboratory and on field trips under the direction of members of the regular staff. The Laboratory also serves as a diagnostic reference center for special examinations not otherwise available to the Panamanian authorities. Because of the competence of the staff, they are sometimes detailed to U.S. agencies for investigations of little known diseases. Such was the case when a senior staff member was loaned to the Army to investigate outbreaks of acute hemorrhagic fever in Korea.

RELATIONS WITH THE GOVERNMENT OF PANAMA

One of the most unique features of the Laboratory is the relations with other governments and agencies. It has been repeatedly reported that the Panamanian Government takes a great deal of pride in the work and accomplishments of the Laboratory. Through the Republic of Panama and its association with the Laboratory, personnel are given ready access to the countries of Central America, making it possible for them to follow their epidemiological investigations across national frontiers without the delays ordinarily experienced in international research.

RELATIONS WITH OTHER AGENCIES

The Laboratory collaborates very closely with the Pan American Health Organization which has need for expert talent and specialized laboratory facilities to carry on its control and eradication programs of Central America. Experts from both organizations frequently accompany one another on field expeditions, each contributing in his area of proficiency.

The new Middle America Research Unit of the National Institutes of Health, located in the Canal Zone, and the Gorgas Laboratory are carrying on cooperative studies made possible by the special resources available to each institution.

During 1958, Laboratory facilities were made available to research scientists from the U.S. National Museum, the University of Pennsylvania, Universidad Central de Venezuela, and the World Health Organization.

Consultant services are provided to various tropical industrial organizations, particularly the United Fruit Co.

The availability of NIH grants to the Laboratory makes it possible to carry on basic research on problems dealing with exotic diseases. The approval of such grants is subject to the same painstaking scrutiny as are other NIH grants but the number of grants that the Institute can request is limited by the physical facilities available and by the time that can be committed by the permanent staff. In this connection, I would like to point out that the funds available from Congress for development of medical research facilities in the United States under the Health Research Facilities Act are not available to the Gorgas Institute because of its geographic location outside the United States.

FUTURE OF THE INSTITUTE

It is obvious that with the increased rapidity and amount of international travel, the medical problems of Central America become more important to the United States. The new Pan American Highway provides a new artery for traffic between the United States and Panama but also provides a new channel for the transmission of tropical diseases. Every military emergency that this country has faced has shown us that we know too little of the diseases not ordinarily occurring in this country which led to unnecessary death and disability. These needs, along with the importance the Panamanians attach to this joint endeavor, point to the need for expansion of the Laboratory which can be expected to continue to pay dividends far beyond the amount invested. The joint endeavor of the United States and the Republic of Panama in med-

ical research is an example of international cooperation of the highest quality.

With these considerations in mind, the Board of Directors of the Institute believe that the time has come when the annual operating authorization should be increased to \$250,000 and when plans should be formulated for the expanding of physical plant to provide the space necessary for the Laboratory employees and for housing visiting investigators and fellows. The Board therefore hopes that you will give your full support to S. 2219.

Mr. Speaker, the funds requested in this authorization bill are required, and the beneficial results attained will serve the needs of mankind.

I urge the support of this measure.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CERTAIN LANDS FOR EVERGLADES NATIONAL PARK

The Clerk called the bill (S. 2390) to authorize the exchange of certain lands in or in the vicinity of Everglades City, Fla., in furtherance of the administration and use of the Everglades National Park.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in order to further the administration and use of the Everglades National Park, the Secretary of the Interior is authorized to accept on behalf of the United States title to the following described parcels of land:

Those parts of tracts "R" and "S" which lie west of the right-of-way of State Road Numbered 29, and lots 1 to 9, inclusive, of block 40, in Everglades City, Florida, comprising 18.98, 1.32, and 3.17 acres, respectively, as shown on N.P.S. Map No. EVE-NP-E-1, dated June 23, 1959, of Everglades City, Florida; and not to exceed 15 acres of submerged lands lying adjacent to said tracts "R" and "S", if such additional lands are considered necessary by the Secretary of the Interior to permit full utilization of the lands above described;

and, in exchange for such parcels of land, to convey to the owner or owners thereof all right, title, and interest of the United States in and to the following described parcels of land within the Everglades National Park:

Tract "L" and block 34, comprising 9.09 and 1.65 acres, respectively, lying in or in the vicinity of Everglades City, Florida.

SEC. 2. All lands and submerged lands title to which is accepted by the Secretary of the Interior pursuant to the provisions of this Act shall, upon the acceptance of title thereto, become parts of the Everglades National Park and shall be subject to all laws and regulations applicable thereto.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DETERMINING THE DISCHARGEABILITY OF PROVABLE DEBTS IN BANKRUPTCY

The Clerk called the bill (H.R. 4150) to amend the Bankruptcy Act to authorize courts of bankruptcy to determine the dischargeability or nondischargeability of provable debts.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, reserving the right to object, and I shall not object, I wonder if someone interested in this bill can tell me whether there is any significance in the fact that there are three or four bankruptcy bills on this Consent Calendar today and there have been other bankruptcy bills passed in the House in this session of the Congress. Is there any significance to this? Is bankruptcy increasing in this allegedly prosperous Nation of ours with its \$290 billion of debt?

Mr. FORRESTER. So far as I know, there is not. I cannot answer that question.

Mr. O'HARA of Illinois. Mr. Speaker, if the gentleman will yield, I would inform him that there have been more bankruptcies in this prosperous Republican administration than we have had in a long, long time.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (9) of section 2 of the Bankruptcy Act, as amended (11 U.S.C. 11(a)), is amended by adding at the end thereof the following:

"(22) Determine the dischargeability or nondischargeability of all provable debts. If a case is reopened solely for the purpose of determining such dischargeability or nondischargeability, no additional filing fees shall be collected."

SEC. 2. That subsection (a) of section 11 of the Bankruptcy Act, as amended (11 U.S.C. 29a), is amended to read as follows:

"(a) A suit which is founded upon a claim from which a discharge would be or is claimed to be a release, and which is pending against a person at the time of the filing of a petition by or against him, shall be stayed until an adjudication or the dismissal of the petition; if such person is adjudged a bankrupt, any action upon a claim from which a discharge would be or is claimed to be a release may be further stayed until the question of his discharge and the question of the dischargeability or nondischargeability of the claim or determined by the court after a hearing, or by the bankrupt's filing a waiver of, or having lost, his right to a discharge, or, in the case of a corporation, by its failure to file an application for a discharge within the time prescribed under this Act: *Provided, however,* That such stay shall be vacated by the court if, in a proceeding under this Act commenced within six years prior to the date of the filing of the petition in bankruptcy, such person has been granted a discharge, or has had a composition confirmed, or has had an arrangement by way of composition confirmed, or has had a wage earner's plan by way of composition confirmed."

With the following committee amendments:

Page 1, line 6, strike out the word "Determine" and insert the following: "Upon application of the bankrupt and the creditor concerned determine."

Page 2, lines 4 and 9, strike the words "or is claimed to be".

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BASIC COMPENSATION RATES FOR CERTAIN POSITIONS

The Clerk called the bill (S. 1845) to provide for the establishment of rates of basic compensation for certain positions in the Patent Office in the Department of Commerce, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 202 of the Classification Act of 1949, as amended (5 U.S.C. 1082), is amended by redesignating the paragraph thereof which was added by the Defense Department Overseas Teachers Pay and Personnel Practices Act as paragraph (33), and by changing the period at the end of such subsection to a semicolon and adding the following new paragraph:

"(34) examiners in chief and designated examiners-in-chief in the Patent Office in the Department of Commerce."

SEC. 2. The first paragraph of section 3 of title 35, United States Code, is amended by adding at the end thereof the following new sentence: "The Secretary of Commerce is authorized to fix the rates of basic compensation of examiners-in-chief and designated examiners-in-chief in the Patent Office, at per annum rates not in excess of the maximum scheduled per annum rate of compensation provided for positions in grade 17 of the General Schedule under the Classification Act of 1949, as amended."

SEC. 3. The enactment of the amendments made by the first section and section 2 of this Act shall not affect—

(1) any position of examiner-in-chief in the Patent Office in the Department of Commerce existing immediately prior to the date of enactment of this Act,

(2) the compensation attached to such position of examiner-in-chief, or

(3) any incumbent of such position, his appointment thereto, or his right to receive the compensation attached thereto.

until appropriate action is taken under authority of the amendment made by section 2 of this Act.

SEC. 4. (a) The rate of basic compensation of the Administrative Assistant Attorney General, the Administrative Assistant Secretary of the Interior, the Administrative Assistant Secretary of Agriculture, the Administrative Assistant Secretary of Labor, and the Administrative Assistant Secretary of Treasury shall be \$19,000 per annum.

(b) Section 505 of the Classification Act of 1949, as amended, is amended by adding at the end thereof a new subsection as follows:

"(j) The Attorney General is authorized to place a total of three positions in the Bureau of Prisons in grade 17 of the General Schedule. Such positions shall be in addition to the number of positions authorized to be placed in such grade by subsection (b)."

With the following committee amendment:

Strike out all after the enacting clause and insert the following:

"POSITIONS OF EXAMINER-IN-CHIEF AND DESIGNATED EXAMINER-IN-CHIEF IN THE PATENT OFFICE

"SECTION 1. (a) Section 3 of title 35 of the United States Code is amended by adding at the end thereof the following sentence: "The Secretary of Commerce is authorized to fix

the per annum rate of basic compensation of each examiner-in-chief in the Patent Office at not in excess of the maximum scheduled rate provided for positions in grade 17 of the General Schedule of the Classification Act of 1949, as amended."

"(b) The last sentence of section 7 of title 35 of the United States Code is amended to read as follows: 'The Secretary of Commerce is authorized to fix the per annum rate of basic compensation of each designated examiner-in-chief in the Patent Office at not in excess of the maximum scheduled rate provided for positions in grade 16 of the General Schedule of the Classification Act of 1949, as amended. The per annum rate of basic compensation of each designated examiner-in-chief shall be adjusted, at the close of the period for which he was designated to act as examiner-in-chief, to the per annum rate of basic compensation which he would have been receiving at the close of such period if such designation had not been made.'"

"(c) The amendments made by this section shall not affect—

"(1) any position of examiner-in-chief or designated examiner-in-chief existing immediately prior to the effective date of this section, or

"(2) any incumbent of any such position, his appointment thereto, his rate of compensation, or his right to receive such compensation,

until appropriate action is taken under authority of such amendments.

"POSITIONS IN GRADES 16, 17, AND 18 OF THE GENERAL SCHEDULE OF THE CLASSIFICATION ACT OF 1949

"SEC. 2. (a) Section 505 of the Classification Act of 1949, as amended (5 U.S.C. 1105), is amended by adding at the end thereof the following:

"(k) The Secretary of the Treasury (or his designee for the purpose) is authorized, subject to the standards and procedures prescribed by this Act, to place a total of two hundred and sixty positions in the Department of the Treasury in grades 16, 17, and 18 of the General Schedule, as follows:

"(1) not more than one hundred and eighty-four such positions shall be in such grades during the period beginning on the date of enactment of this subsection and ending on June 30, 1960;

"(2) not more than two hundred and twenty-two such positions shall be in such grades during the period beginning on July 1, 1960, and ending on June 30, 1961; and

"(3) not more than two hundred and sixty such positions shall be in such grades on and after July 1, 1961."

"(b) Section 505(b) of the Classification Act of 1949, as amended (5 U.S.C. 1105(b)), is amended—

"(1) by striking out 'fourteen hundred and eighty-three' and inserting in lieu thereof 'fourteen hundred and twenty-nine';

"(2) by striking out 'three hundred and ninety-seven' and inserting in lieu thereof 'three hundred and seventy-one'; and

"(3) by striking out 'one hundred and fifty-seven' and inserting in lieu thereof 'one hundred and fifty-three'."

"(c) Nothing contained in this section shall affect—

"(1) any position existing under authority of section 505(b) of the Classification Act of 1949, as in effect immediately prior to the date of enactment of this Act, or

"(2) the compensation attached to any such position and any incumbent thereof, his appointment thereto, and his right to receive the compensation attached thereto, until appropriate action is taken under authority of subsection (k) of section 505 of the Classification Act of 1949, as contained in the amendment made by subsection (a) of this section.

"POSITIONS IN CERTAIN DEPARTMENTS AND AGENCIES SUBJECT TO THE FEDERAL EXECUTIVE PAY ACT OF 1956

"SEC. 3. (a) Section 106(a) of the Federal Executive Pay Act of 1956, as amended (5 U.S.C. 2205(a)), which prescribes an annual rate of basic compensation of \$20,000 for certain positions, is amended by adding at the end thereof the following paragraphs:

"(46) Commissioner of Social Security.

"(47) Commissioner of Education."

"(b) Section 106(b) of such Act, as amended (5 U.S.C. 2205(b)), which prescribes an annual rate of basic compensation of \$19,000 for certain positions, is amended by adding at the end thereof the following paragraphs:

"(10) Deputy Commissioner of the Internal Revenue Service.

"(11) Chief Counsel of the Internal Revenue Service.

"(12) Administrative Assistant Attorney General.

"(13) Administrative Assistant Secretary of the Interior.

"(14) Administrative Assistant Secretary of Agriculture.

"(15) Administrative Assistant Secretary of Labor.

"(16) Administrative Assistant Secretary of the Treasury."

"(c) Section 107(a) of such Act, as amended (5 U.S.C. 2206(a)), is amended by striking out "(1) Administrator, Agricultural Research Service, Department of Agriculture," "(18) Commissioner of Social Security," and "(20) Deputy Commissioner of the Internal Revenue Service."

"ADDITIONAL SCIENTIFIC AND PROFESSIONAL POSITIONS FOR RESEARCH AND DEVELOPMENT PURPOSES

"SEC. 4. (a) Subsection (e) of the first section of the Act of August 1, 1947 (Public Law 313, Eightieth Congress), as added by section 12 (c) of the Federal Employees Salary Increase Act of 1958 (72 Stat. 213; Public Law 85-462), is amended to read as follows:

"(e) The Secretary of Agriculture is authorized to establish and fix the compensation for not more than fifteen scientific or professional positions in the Department of Agriculture, each such position being established to effectuate those research and development functions of such Department which require the services of specially qualified personnel."

"(b) Subsection (f) of the first section of the Act of August 1, 1947 (Public Law 313, Eightieth Congress), as added by section 12(c) of the Federal Employees Salary Increase Act of 1958 (72 Stat. 213; Public Law 85-462), is amended to read as follows:

"(f) The Secretary of Health, Education, and Welfare is authorized to establish and fix the compensation for not more than ten scientific or professional positions in the Department of Health, Education, and Welfare, each such position being established to effectuate those research and development functions of such Department which require the services of specially qualified personnel."

"REDESIGNATION OF THE POSITION OF ASSISTANT DIRECTOR OF THE ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS

"SEC. 5. (a) (1) Sections 601, 603, and 606 of title 28 of the United States Code are amended by striking out the words 'Assistant Director' wherever they appear in such sections and inserting in lieu thereof the words 'Deputy Director'."

"(2) The analysis at the beginning of chapter 41 of such title is amended by striking out the words 'Assistant Director' in the items thereof relating to sections 601 and 606 and inserting in lieu thereof the words 'Deputy Director'."

"(3) Section 107(a) of the Federal Executive Pay Act of 1956, as amended (5 U.S.C. 2206(a)), is amended by striking out "(6) Assistant Director of the Administrative

Office of the United States Courts,' and inserting in lieu thereof '(6) Deputy Director of the Administrative Office of the United States Court.'

"(4) Whenever the Assistant Director of the Administrative Office of the United States Courts is referred to in any other law, such reference shall be deemed to be to the Deputy Director of the Administrative Office of the United States Courts."

"(b) The Director of the Administrative Office of the United States Courts, may, in accordance with the provisions of section 15 of the Administrative Expenses Act of 1946 (5 U.S.C. 55a), procure the temporary or intermittent services of experts or consultants at rates not in excess of \$75 per diem."

"MISCELLANEOUS

"SEC. 6. (a) Section 202 of the Classification Act of 1949, as amended (5 U.S.C. 1082), is amended—

"(1) by changing to a semicolon the period at the end of paragraph (32) of such section 202, which paragraph (32) was added to such section 202 by the first section of the Act of May 29, 1959 (73 Stat. 63; Public Law 86-36);

"(2) by redesignating, as paragraph (33) of such section 202, paragraph (32) thereof which was added by section 3 of the Defense Department Overseas Teachers Pay and Personnel Practices Act (73 Stat. 213; Public Law 86-91);

"(3) by changing to a semicolon the period at the end of such paragraph (33), as redesignated by subparagraph (2) of this subsection; and

"(4) by adding at the end of such section 202 the following paragraph:

"(34) examiners-in-chief and designated examiners-in-chief in the Patent Office in the Department of Commerce."

"(b) Section 5(b) of the Defense Department Overseas Teachers Pay and Personnel Practices Act (73 Stat. 214; Public Law 86-91) is amended—

"(1) by striking out 'paragraph (32) of section 202 of such Act, as added by section 3 of this Act,' and inserting in lieu thereof 'paragraph (33) of section 202 of such Act, added by section 3 of this Act'; and

"(2) by striking out 'such paragraph (32)' and inserting in lieu thereof 'such paragraph (33)'."

"EFFECTIVE DATES

"SEC. 7. (a) This section, and sections 2, 4, and 5 of this Act, shall become effective on the date of enactment of this Act."

"(b) Sections 1, 3, and 6 of this Act shall become effective on the first day of the first pay period which begins after the date of enactment of this Act."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

The title was amended so as to read: "An act to provide for the reestablishment of rates of basic compensation for certain Government positions."

A motion to reconsider was laid on the table.

BANKRUPTCY ACT—VERIFICATION OF PLEADINGS

The Clerk called the bill (S. 1944) to amend the Bankruptcy Act in regard to the verification of pleadings.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subdivision c of section 18 of the Bankruptcy Act (11 U.S.C. 41c) is hereby repealed and subsections d, e, f, and g of such section are

relettered to read "c", "d", "e", and "f", respectively.

With the following committee amendment:

Strike out all after the enacting clause and insert: "That subdivision c of section 18 of the Bankruptcy Act is amended to read as follows: 'c. Petitions for both voluntary and involuntary bankruptcy shall be verified under oath.'"

The committee amendment was to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROMOTING PEACE THROUGH THE REDUCTION OF ARMAMENTS

Mr. ANDERSEN of Minnesota. Mr. Speaker, I ask unanimous consent to return to Calendar No. 300—House Concurrent Resolution 393—a concurrent resolution to promote peace through the reduction of armaments.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

Mr. ANDERSEN of Minnesota. Mr. Speaker, I reserve the right to object.

This proposed resolution is of major importance not only to the people of the United States but to the people of the entire world. If its adoption might in some manner or measure start a worldwide movement toward peace and disarmament, then it might prove to be one of the most crucial actions taken at this session of the Congress.

It seems to me that such an important step should be judiciously taken. If the world is to have confidence in its provisions, it is my belief that the resolution should be brought up under a rule and debated freely and openly. If the resolution is as significant as I believe it to be, then I likewise believe it should be accorded an appropriate measure and degree of consideration. To do less may raise serious doubts as to the sincerity of our purpose and in these crucial times we must leave no such doubts.

The spotlight of world attention is focused upon the Capitol of the United States. If it be the purpose of the Congress to implement by appropriate resolution the statement made by President Eisenhower on April 16, 1953, then by all means let us implement it with all the power and dignity of which the Congress is possessed. In my judgment, there might be raised considerable doubt as to the depth of our feeling if we bring up and pass such a far-reaching proposal by means of the Consent Calendar.

Beyond that, Mr. Speaker, I believe we should know more about the implications of this resolution before we give it our stamp of approval. No one can question our dedication to the objectives of the resolution, but we should know more about the commitment it asks us to make for future foreign aid programs. If the integrity of the Congress is to be preserved, we should proceed with great caution and deliberate care when we venture into the field of promises for

appropriations to be made by succeeding sessions of the Congress.

I bow to no man in my desire for world peace. I have talked to people in many other countries and if there is a single, common ground it is this mutual desire for peace. But are peace and disarmament of so little value to mankind that they must be bought by promises of economic aid? Can we be certain without hearings and debate what these commitments will entail in the way of demands to be made upon our Treasury in the future? And what assurance have we that our own economy in the process of conversion from a state of cold war to disarmament will be able to bear the burdens here proposed?

If given the opportunity to more fully consider the resolution I might become one of its most sincere advocates, but too little time and consideration have been given this proposal which could alter the entire course of world events.

Mr. Speaker, I would like to ask the gentleman from Wisconsin [Mr. ZABLOCKI], Is there any intention in this particular resolution to bypass the Committee on Appropriations?

Mr. ZABLOCKI. There is absolutely no intent to bypass the Committee on Appropriations. There is no authorization for any funds. There is no money involved. The Bureau of the Budget to the Department of State have no objection as stated in the report.

Mr. ANDERSEN of Minnesota. The gentleman well knows that the report is based and the entire findings on the merits of the bill relative to the statements by first, former President Truman, and secondly by President Eisenhower who on April 16, 1953, pledged that the U.S. Government was ready to ask its people to join all nations in devoting a substantial percentage of the savings achieved by disarmament to a fund for world aid and reconstruction. What does that word "substantial" mean? And how does the executive department have it within its power to tell the Congress that perhaps \$3 or \$4 or \$5 billion shall go for further foreign aid? Where is that within the rights of the President of the United States?

Mr. ZABLOCKI. Mr. Speaker, will the gentleman yield?

Mr. ANDERSEN of Minnesota. I yield.

Mr. ZABLOCKI. It is within the prerogative of the executive department, of course, since he has the responsibility of administering international relations to make a decision as to the amount of assistance to any particular nation. Further to try to clarify the word "substantial" I might say to the gentleman if it is \$100 that is involved, then \$50 would be a substantial amount. If it is \$10 million or \$10 billion, one-tenth of such an amount in my estimation would be a substantial amount.

I am sure the gentleman will agree that should there be any real savings, a substantial amount of savings, due to disarmament or to a cutback of military expenditures it would then be the decision of Congress to determine what portion of the savings the Congress would

allocate for assisting other nations that are underdeveloped and underprivileged.

Mr. ANDERSEN of Minnesota. I think the gentleman will agree that this Congress has often been in difficulty by bypassing the Appropriations Committee. Just the other day we had an example of that in the matter of the interstate highway program which was taken out of the hands of the Appropriations Committee to study each year, and we now are faced with the fact that the program is practically bankrupt.

We had a similar situation in the housing legislation. To me this has at least the potentiality of continuation of foreign aid, regardless of what the consensus of the Congress might be in the matter. Is there any justification for my belief there?

Mr. ZABLOCKI. I would like to assure the gentleman that it is not. I want to assure the gentleman. If I thought such was the intent of this legislation I certainly would not have introduced the resolution.

Mr. ANDERSEN of Minnesota. May I ask this question? This bill passed the Senate on August 4, I understand.

Mr. ZABLOCKI. Yes, on August 4.

Mr. ANDERSEN of Minnesota. Over a month ago. If it was so important why did the committee not get a rule to bring it to the floor for consideration long before this?

Mr. ZABLOCKI. In order to satisfy some members, the Committee on Foreign Affairs went into the proposal very carefully. It is therefore understandable that the committee was not able to report it out prior to August 31.

The gentleman I am sure is fully aware that the Committee on Rules is no longer in session. Therefore a rule could not be obtained.

Mr. ANDERSEN of Minnesota. May I inquire why the Committee on Rules is not sitting while Congress is in session?

Mr. ZABLOCKI. The gentleman will have to address that question to the chairman of the Rules Committee.

Mr. ANDERSEN of Minnesota. I do not see any recommendation from the State Department for this resolution. There is simply the statement in the report that they have no objection. Did the State Department come before the Foreign Affairs Committee of the House?

The SPEAKER. The regular order is, Is there objection?

Mr. ANDERSEN of Minnesota. Will the Speaker pardon me while I finish this one question?

The SPEAKER. I thought the gentleman wanted to return to the bill and pass it; I did not know the gentleman wanted to fight it.

Mr. ANDERSEN of Minnesota. I was just making the inquiry—

The SPEAKER. The Chair will withhold asking for the regular order.

Mr. ANDERSEN of Minnesota. Did the State Department urge upon the Committee of Foreign Affairs that they enact this legislation?

Mr. ZABLOCKI. The State Department does not have any object to the proposal.

Sept. 10, 1959

SENATE

10. WHEAT. Passed as reported S. 2449, to extend the International Wheat Agreement Act of 1949 to cover the International Wheat Agreement, 1959. The committee report states that the amendments are "purely technical, making no change in substance." p. 17433
11. FEED; DISASTER RELIEF. Concurred in the House amendments to S. 2504, to authorize this Department to sell at current support prices CCC feed for live-stock in emergency areas. This bill will now be sent to the President. pp. 17396-7
12. FARM LOANS. Agreed to the conference report on H. R. 7629, to extend for 2 years, until June 30, 1961, the authority of the Farmers' Home Administration to make real estate loans for refinancing farm debts, and providing that growing or recently harvested crops shall be included in computing a farmer's assets in making loans under this authority. This bill will now be sent to the President. p. 17397
13. PERSONNEL. Concurred in the House amendments to S. 1845, to grant this Department 10 additional Public Law 313 positions, increase the salaries of certain Administrative Assistant Secretaries (including this Department), and revise the basic rates of compensation of certain other Government positions (see Digest 157 for a summary of the provisions of the bill). This bill will now be sent to the President. pp. 17399-400
Concurred in the House amendments, with additional amendments, to S. 2162, to provide a health benefits program for Federal employees. Sen. Johnston explained that the Senate amendments "make it clear that the price figures established in the bill by the House apply to the purchase of health benefits and do not include auxiliary costs in addition to sharing the cost of the health benefits purchased" and "make clear that both Government and employees will share these auxiliary costs in addition to sharing the cost of the health benefits purchased" and provides for "a Director of Retirement and Insurance." pp. 17402-7
Passed as reported H. R. 4283, to amend the District of Columbia Income and Franchise Tax Act of 1947 so as to provide that certain officers of the executive branch of the Federal Government appointed by the President and confirmed by the Senate shall be exempt from the act. pp. 17431-2
14. WATER UTILIZATION. Passed without amendment S. 1605, to grant the consent of Congress to Kan. and Nebr. to negotiate and enter into a compact relating to the apportionment of the waters of the Big Blue River and its tributaries as they affect these States. p. 17374
15. PATENTS; PLANTS. Passed over, at the request of Sen. Prouty, S. 1447, to amend Sec. 161, title 35, U. S. Code, with respect to patents for plants so as to eliminate the exclusion of tuber propagated plants from being patented. p. 17375
16. MINERALS. Passed without amendment S. 1537, to establish a national mining and minerals policy. pp. 17382-3
Agreed to H. Con. Res. 177, requesting the President to have reviews made, and to report to Congress, on the more effective use of Government programs in increasing production and employment in critically depressed mining and mineral industries affecting public and other lands. p. 17383

17. WATER RESOURCES. Passed as reported S. 2628, to establish a U. S. Study Commission on the Development of the Rivers, Ports, and Drainage Basins (and intervening areas) of Alaska. pp. 17384-7
18. INSPECTION SERVICES; IMPORTS. Passed with amendments H. R. 8582, to authorize the construction of a toll bridge across the Rio Grande near Los Indios, Tex. (a similar bill S. 2531 was indefinitely postponed) (pp. 17388-92), and H. R. 8694, to authorize the construction of a toll bridge across the Rio Grande at or near Rio Grande City, Tex. (a similar bill S. 2590 was indefinitely postponed) (p. 17392). Both these bills would affect this Department's inspection service costs regarding imports.
19. MUTUAL SECURITY APPROPRIATION BILL, 1960. Passed over, at the request of Sen. Morse, this bill, H. R. 8385. p. 17392
20. FOREIGN AID. Passed without amendment S. 1697, to amend the Mutual Defense Assistance Control Act of 1951 so as to permit, if the President finds it to be in the national interest, U. S. aid to any foreign country except Russia and Communist-held areas of the Far East. pp. 17401-2
21. APPROPRIATIONS; CLAIMS. Received from the President a supplemental appropriation estimate to pay claims for damages and a judgment rendered against the U. S. in the amount of \$323,629, together with such amount as may be necessary to pay indefinite interest (S.Doc. 56). p. 17342
22. INFLATION. Sen. Byrd, Va., termed inflation "our No. 1 domestic problem," and inserted two articles on the subject. pp. 17353-5
23. CONSERVATION CORPS. Sen. Morse inserted an article showing that Gov. Rockefeller favors youth camps for juveniles in New York and associated this position with the principle involved in S. 812, the Youth Conservation Corps bill, that has passed the Senate and is awaiting action in the House. pp. 17356-7
Sen. Randolph and others urged support in the House for the Youth Conservation Corps bill. p. 17362-3
24. FORESTRY. Sen. Moss praised the work of the Forest Service smokejumpers and others in alleviating the destructive results of the recent Montana earthquake. pp. 17359-60
25. CONGRESSIONAL RECESS. Sen. Smith urged support for her resolution to have Congress recess for a period each summer. pp. 17348-9
26. FISH AND WILDLIFE. Concurred in the House amendment to S. 1575, to authorize the appropriation of \$2,565,000 to Interior to undertake continuing studies of the effects of insecticides, herbicides, fungicides, and other pesticides upon fish and wildlife. This bill will now be sent to the President. p. 17407
27. INTERGOVERNMENTAL RELATIONS. Passed with amendment H. R. 6904, to establish an Advisory Commission on Intergovernmental Relations, after substituting the language of a similar bill, S. 2026, as amended. S. 2026 was indefinitely postponed. Senate conferees were appointed. pp. 17408-17
28. SMALL BUSINESS. Passed with amendment H. R. 8599, to provide an additional \$75 million for the Small Business Administration's revolving fund, after substituting the language of a similar bill, S. 2612, as amended. pp. 17427-8

current resolution, which had been reported from the Committee on Foreign Relations with an amendment.

The **PRESIDING OFFICER**. The amendment of the Committee on Foreign Relations will be stated.

The **LEGISLATIVE CLERK**. On page 1, after the preamble, it is proposed to strike out all after the resolving clause, and insert:

That it is the sense of the Congress (a) that the President of the United States of America should explore with other free and democratic nations and appropriate international organizations the desirability and feasibility of establishing an international mission to consult with the Governments of countries in the area of South Asia on their needs in connection with the fulfillment of currently planned and anticipated development programs over the next five years and to consider and recommend ways and means of jointly assisting in the implementation of those plans in cooperation with the Governments of South Asia, and (b) that if the international mission is established, the President of the United States of America should report to the Congress on such recommendations as are made by the mission.

The amendment was agreed to.

The concurrent resolution, as amended, was agreed to.

The title was amended, so as to read: "Concurrent resolution to invite friendly and democratic nations to consult with countries of South Asia."

The preamble was amended, so as to read:

Whereas the continued vitality and success of the Governments of South Asia are matters of common interest to free nations, politically because of their five hundred and twenty-five million people and vast land area; strategically because of their vital geographic location; economically because of their resources and their national development efforts; and morally because of the great necessity that they continue to make progress and succeed in their earnest efforts to improve the lot of their peoples: Now, therefore, be it

TRIBUTES TO SENATOR BYRD OF WEST VIRGINIA

Mr. **RANDOLPH**. Mr. President, the present occupant of the Chair, the Senator from West Virginia [Mr. Byrd], has often had the facility for being in the right place at the right time.

Today he has added to his distinction in that category by being the Presiding Officer on the occasion when, for the first time, the Senate overrode a veto by the present occupant of the White House. My colleague from West Virginia was presiding, with his customary fairness and firmness, over this body during this historic event. President Eisenhower has sent 146 veto messages to the Congress but the perfect record no longer exists.

I congratulate my colleague, and I am sure that my sentiment is shared by our colleagues on both sides of the aisle.

Mr. **JOHNSON** of Texas. Mr. President, if the Senator from West Virginia will yield to me, let me state that I wish to associate myself with what he has said. I know of no Senator who has come to this body since I have been a Member of it who has made a more favorable impression than has the Senator

from West Virginia [Mr. Byrd]; and I am always glad to see him in the chair, for that makes it possible for us to transact our business with efficiency and in a proper manner.

Mr. **ERVIN**. Mr. President, I should like to join in the remarks which have been made in regard to our distinguished Presiding Officer, the very able Senator from West Virginia [Mr. Byrd]. I wish to say that it is not surprising to me that he is such a wonderful Senator, because he was born in and is a native of the best place in the universe, namely, North Carolina.

ESTABLISHMENT OF RATES OF BASIC COMPENSATION FOR CERTAIN POSITIONS IN THE PATENT OFFICE

Mr. **JOHNSTON** of South Carolina. Mr. President, I ask that the Chair lay before the Senate the amendments of the House of Representatives to Senate bill 1845.

The **PRESIDING OFFICER** laid before the Senate the amendments of the House of Representatives to the bill (S. 1845) to provide for the establishment of rates of basic compensation for certain positions in the Patent Office in the Department of Commerce, and for other purposes, which were, to strike out all after the enacting clause and insert:

POSITIONS OF EXAMINER-IN-CHIEF AND DESIGNATED EXAMINER-IN-CHIEF IN THE PATENT OFFICE

SECTION 1. (a) Section 3 of title 35 of the United States Code is amended by adding at the end thereof the following sentence: "The Secretary of Commerce is authorized to fix the per annum rate of basic compensation of each examiner-in-chief in the Patent Office at not in excess of the maximum scheduled rate provided for positions in grade 17 of the General Schedule of the Classification Act of 1949, as amended."

(b) The last sentence of section 7 of title 35 of the United States Code is amended to read as follows: "The Secretary of Commerce is authorized to fix the per annum rate of basic compensation of each designated examiner-in-chief in the Patent Office at not in excess of the maximum scheduled rate provided for positions in grade 16 of the General Schedule of the Classification Act of 1949, as amended. The per annum rate of basic compensation of each designated examiner-in-chief shall be adjusted, at the close of the period for which he was designated to act as examiner-in-chief, to the per annum rate of basic compensation which he would have been receiving at the close of such period if such designation had not been made."

(c) The amendments made by this section shall not affect—

(1) any position of examiner-in-chief or designated examiner-in-chief existing immediately prior to the effective date of this section, or

(2) any incumbent of any such position, his appointment thereto, his rate of compensation, or his right to receive such compensation, until appropriate action is taken under authority of such amendments.

POSITIONS IN GRADES 16, 17, AND 18 OF THE GENERAL SCHEDULE OF THE CLASSIFICATION ACT OF 1949

SEC. 2. (a) Section 505 of the Classification Act of 1949, as amended (5 U.S.C. 1105), is amended by adding at the end thereof the following:

"(k) The Secretary of the Treasury (or his designee for the purpose) is authorized, subject to the standards and procedures prescribed by this Act, to place a total of two hundred and sixty positions in the Department of the Treasury in grades 16, 17, and 18 of the General Schedule, as follows:

"(1) not more than one hundred and eighty-four such positions shall be in such grades during the period beginning on the date of enactment of this subsection and ending on June 30, 1960;

"(2) not more than two hundred and twenty-two such positions shall be in such grades during the period beginning on July 1, 1960, and ending on June 30, 1961; and

"(3) not more than two hundred and sixty such positions shall be in such grades on and after July 1, 1961."

(b) Section 505(b) of the Classification Act of 1949, as amended (5 U.S.C. 1105(b)), is amended—

(1) by striking out "fourteen hundred and eighty-three" and inserting in lieu thereof "fourteen hundred and twenty-nine";

(2) by striking out "three hundred and ninety-seven" and inserting in lieu thereof "three hundred and seventy-one"; and

(3) by striking out "one hundred and fifty-seven" and inserting in lieu thereof "one hundred and fifty-three".

(c) Nothing contained in this section shall affect—

(1) any position existing under authority of section 505(b) of the Classification Act of 1949, as in effect immediately prior to the date of enactment of this Act, or

(2) the compensation attached to any such position and any incumbent thereof, his appointment thereto, and his right to receive the compensation attached thereto, until appropriate action is taken under authority of subsection (k) of section 505 of the Classification Act of 1949, as contained in the amendment made by subsection (a) of this section.

POSITIONS IN CERTAIN DEPARTMENTS AND AGENCIES SUBJECT TO THE FEDERAL EXECUTIVE PAY ACT OF 1956

SEC. 3. (a) Section 106(a) of the Federal Executive Pay Act of 1956, as amended (5 U.S.C. 2205(a)), which prescribes an annual rate of basic compensation of \$20,000 for certain positions, is amended by adding at the end thereof the following paragraphs:

"(46) Commissioner of Social Security.

"(47) Commissioner of Education."

(b) Section 106(b) of such Act, as amended (5 U.S.C. 2205(b)), which prescribes an annual rate of basic compensation of \$19,000 for certain positions, is amended by adding at the end thereof the following paragraphs:

"(10) Deputy Commissioner of the Internal Revenue Service.

"(11) Chief Counsel of the Internal Revenue Service.

"(12) Administrative Assistant Attorney General.

"(13) Administrative Assistant Secretary of the Interior.

"(14) Administrative Assistant Secretary of Agriculture.

"(15) Administrative Assistant Secretary of Labor.

"(16) Administrative Assistant Secretary of the Treasury."

(c) Section 107(a) of such Act, as amended (5 U.S.C. 2206(a)), is amended by striking out "(1) Administrator, Agricultural Research Service, Department of Agriculture," "(18) Commissioner of Social Security," and "(20) Deputy Commissioner of the Internal Revenue Service."

ADDITIONAL SCIENTIFIC AND PROFESSIONAL POSITIONS FOR RESEARCH AND DEVELOPMENT PURPOSES

SEC. 4. (a) Subsection (e) of the first section of the Act of August 1, 1947 (Public Law 313, Eightieth Congress), as added by section

12(c) of the Federal Employees Salary Increase Act of 1958 (72 Stat. 213; Public Law 85-462), is amended to read as follows:

"(e) The Secretary of Agriculture is authorized to establish and fix the compensation for not more than fifteen scientific or professional positions in the Department of Agriculture, each such position being established to effectuate those research and development functions of such Department which require the services of specially qualified personnel."

(b) Subsection (f) of the first section of the Act of August 1, 1947 (Public Law 313, Eightieth Congress), as added by section 12(c) of the Federal Employees Salary Increase Act of 1958 (72 Stat. 213; Public Law 85-462), is amended to read as follows:

"(f) The Secretary of Health, Education, and Welfare is authorized to establish and fix the compensation for not more than ten scientific or professional positions in the Department of Health, Education, and Welfare, each such position being established to effectuate those research and development functions of such Department which require the services of specially qualified personnel."

REDESIGNATION OF THE POSITION OF ASSISTANT DIRECTOR OF THE ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS

SEC. 5. (a) (1) Sections 601, 603, and 606 of title 28 of the United States Code are amended by striking out the words "Assistant Director" wherever they appear in such sections and inserting in lieu thereof the words "Deputy Director".

(2) The analysis at the beginning of chapter 41 of such title is amended by striking out the words "Assistant Director" in the items thereof relating to sections 601 and 606 and inserting in lieu thereof the words "Deputy Director".

(3) Section 107(a) of the Federal Executive Pay Act of 1956, as amended (5 U.S.C. 2206(a)), is amended by striking out "(6) Assistant Director of the Administrative Office of the United States Courts." and inserting in lieu thereof "(6) Deputy Director of the Administrative Office of the United States Courts."

(4) Whenever the Assistant Director of the Administrative Office of the United States Courts is referred to in any other law, such reference shall be deemed to be to the Deputy Director of the Administrative Office of the United States Courts.

(b) The Director of the Administrative Office of the United States Courts, may, in accordance with the provisions of section 15 of the Administrative Expenses Act of 1946 (5 U.S.C. 55a), procure the temporary or intermittent services of experts or consultants at rates not in excess of \$75 per diem.

MISCELLANEOUS

SEC. 6. (a) Section 202 of the Classification Act of 1949, as amended (5 U.S.C. 1082), is amended—

(1) by changing to a semicolon the period at the end of paragraph (32) of such section 202, which paragraph (32) was added to such section 202 by the first section of the Act of May 29, 1959 (73 Stat. 63; Public Law 86-36);

(2) by redesignating, as paragraph (33) of such section 202, paragraph (32) thereof which was added by section 3 of the Defense Department Overseas Teachers Pay and Personnel Practices Act (73 Stat. 213; Public Law 86-91);

(3) by changing to a semicolon the period at the end of such paragraph (33), as redesignated by subparagraph (2) of this subsection; and

(4) by adding at the end of such section 202 the following paragraph:

"(34) examiners-in-chief and designated examiners-in-chief in the Patent Office in the Department of Commerce."

(b) Section 5(b) of the Defense Department Overseas Teachers Pay and Personnel

Practices Act (73 Stat. 213; Public Law 86-91) is amended—

(1) by striking out "paragraph (32) of section 202 of such Act, as added by section 3 of this Act," and inserting in lieu thereof "paragraph (33) of section 202 of such Act, added by section 3 of this Act,"; and

(2) by striking out "such paragraph (32)" and inserting in lieu thereof "such paragraph (33)".

EFFECTIVE DATES

SEC. 7. (a) This section, and sections 2, 4, and 5 of this Act, shall become effective on the date of enactment of this Act.

(b) Sections 1, 3, and 6 of this Act shall become effective on the first day of the first pay period which begins after the date of enactment of this Act.

Amend the title so as to read: "An act to provide for the reestablishment of the rates of basic compensation for certain Government positions, and for other purposes."

Mr. JOHNSTON of South Carolina. Mr. President, this bill was passed by the House on Monday, at which time it added these amendments.

I have discussed with the chairman of the Civil Service Commission certain provisions included in the House amendments. I have been given the chairman's pledge that three GS-18 authorizations will be given to the Immigration and Naturalization Service and that one GS-17 and three GS-16's will be allocated to the Bureau of Prisons. With this assurance, I ask that the Senate agree to the House amendments to the bill.

Mr. CARLSON. Mr. President, this bill has the approval, first, of the Senate Committee on Post Office and Civil Service. I concur in the amendments which were added by the House of Representatives.

I had some questions about some of the supergrade positions, particularly as regards the Department of Labor.

I hope that when the Civil Service Commission is allocating the 50 supergrade positions it will keep in mind the Department of Labor, if it can justify a need for these positions.

Mr. JOHNSTON of South Carolina. Mr. President, I join with the Senator from Kansas in that statement, and in doing so I believe I speak for the committee as a whole.

The PRESIDING OFFICER. The question is, Will the Senate concur in the amendments of the House of Representatives?

Mr. JOHNSTON of South Carolina. Mr. President, I so move.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from South Carolina.

The motion was agreed to.

WARWICK DOWNING

Mr. CARROLL. Mr. President, this summer the University of Denver conferred an honorary doctor of laws degree on one of Colorado's outstanding and beloved citizens, a man who has served his State and country with skill, energy, and devotion for half a century, Mr. Warwick Downing.

Mr. Downing is a longtime and dear friend of the distinguished senior Senator from Wyoming [Mr. O'MAHONEY].

Senator O'MAHONEY had intended to compliment publicly Mr. Downing on his receipt of the Denver University honors. The Senator's illness has prevented him from doing so this session.

I am happy to join with Senator O'MAHONEY, one of the greatest Senators ever to represent the Western States, in saluting Mr. Downing as a westerner who has devoted his life to the conservation and development of our western natural resources. The tribute paid to Mr. Downing by the University of Denver is one richly deserved and applauded by his thousands of friends in all walks of life in the Western States.

I wish to quote a portion of the citation accompanying the Denver University honors, Mr. President, and then I shall offer for inclusion in the RECORD the entire citation and a biographical sketch on Mr. Downing.

The Denver University citation reads in part:

Here is a man most truly representative of the American way of life, inalterably committed to the burdens of community responsibility others might shirk, answering each call to service with enterprise, enthusiasm and directness, with kindness, tolerance and understanding; accepting no recompense and seeking no reward other than that which is ever to be found in devotion to duty as one sees it.

Mr. President, I ask unanimous consent to have the citation to Warwick Downing by the University of Denver printed at this point in the RECORD.

There being no objection, the citation was ordered to be printed in the RECORD, as follows:

CITATION—UNIVERSITY OF DENVER

(Read by Chancellor Chester M. Alter on the occasion of the commencement exercises. University of Denver, June 10, 1959)

Warwick Miller Downing, born of Quaker ancestry and true to its ideals, now for six fruitful decades since graduation from the University of Michigan School of Law, creating an altogether unusual record of service to this community, this State and region; skilled in trial practice, authority without peer in oil and gas litigation, and pioneer in the stimulation of oil shale development; uniquely serving at one time as member of the executive committee of the Independent Petroleum Association of America, as director of the Rocky Mountain Oil and Gas Association, as a member of the Interstate Oil Compact Commission, as chairman of the Colorado Oil and Gas Conservation Commission and as director of the American Petroleum Institute; before and since, a leader in the affairs of these organizations, the vast industry they serve and the vital resources they represent; as a member of the Parks Commission of Denver, the Mountain Parks Committee, the Denver Playground Commission; rightfully coming to be called "the father of the mountain parks, boulevards, and playgrounds of Denver" by the late Mayor Robert Speer; here is a man most truly representative of the American way of life, inalterable committed to the burdens of community responsibility others might shirk, answering each call to service with enterprise, enthusiasm, and directness, with kindness, tolerance, and understanding; accepting no recompense and seeking no reward other than that which is ever to be found in devotion to duty as one sees it.

Mr. CARROLL. Mr. President, I also ask unanimous consent to have printed

Public Law 86-370
86th Congress, S. 1845
September 23, 1959

AN ACT

73 STAT. 650.

To provide for the reestablishment of the rates of basic compensation for certain Government positions, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

POSITIONS OF EXAMINER-IN-CHIEF AND DESIGNATED EXAMINER-IN-CHIEF
IN THE PATENT OFFICE

SECTION 1. (a) Section 3 of title 35 of the United States Code is amended by adding at the end thereof the following sentence: "The Secretary of Commerce is authorized to fix the per annum rate of basic compensation of each examiner-in-chief in the Patent Office at not in excess of the maximum scheduled rate provided for positions in grade 17 of the General Schedule of the Classification Act of 1949, as amended." 66 Stat. 792.

(b) The last sentence of section 7 of title 35 of the United States Code is amended to read as follows: "The Secretary of Commerce is authorized to fix the per annum rate of basic compensation of each designated examiner-in-chief in the Patent Office at not in excess of the maximum scheduled rate provided for positions in grade 16 of the General Schedule of the Classification Act of 1949, as amended. The per annum rate of basic compensation of each designated examiner-in-chief shall be adjusted, at the close of the period for which he was designated to act as examiner-in-chief, to the per annum rate of basic compensation which he would have been receiving at the close of such period if such designation had not been made." 63 Stat. 954.
5 USC 1071
note.
72 Stat. 1793.

(c) The amendments made by this section shall not affect—

(1) any position of examiner-in-chief or designated examiner-in-chief existing immediately prior to the effective date of this section, or

(2) any incumbent of any such position, his appointment thereto, his rate of compensation, or his right to receive such compensation,

until appropriate action is taken under authority of such amendments.

POSITIONS IN GRADES 16, 17, AND 18 OF THE GENERAL SCHEDULE OF THE
CLASSIFICATION ACT OF 1949

SEC. 2. (a) Section 505 of the Classification Act of 1949, as amended (5 U.S.C. 1105), is amended by adding at the end thereof the following:

"(k) The Secretary of the Treasury (or his designee for the purpose) is authorized, subject to the standards and procedures prescribed by this Act, to place a total of two hundred and sixty positions in the Department of the Treasury in grades 16, 17, and 18 of the General Schedule, as follows:

"(1) not more than one hundred and eighty-four such positions shall be in such grades during the period beginning on the date of enactment of this subsection and ending on June 30, 1960;

"(2) not more than two hundred and twenty-two such positions shall be in such grades during the period beginning on July 1, 1960, and ending on June 30, 1961; and

"(3) not more than two hundred and sixty such positions shall be in such grades on and after July 1, 1961."

(b) Section 505(b) of the Classification Act of 1949, as amended (5 U.S.C. 1105(b)), is amended—

(1) by striking out “fourteen hundred and eighty-three” and inserting in lieu thereof “fourteen hundred and twenty-nine”;

(2) by striking out “three hundred and ninety-seven” and inserting in lieu thereof “three hundred and seventy-one”; and

(3) by striking out “one hundred and fifty-seven” and inserting in lieu thereof “one hundred and fifty-three”.

(c) Nothing contained in this section shall affect—

(1) any position existing under authority of section 505(b) of the Classification Act of 1949, as in effect immediately prior to the date of enactment of this Act, or

(2) the compensation attached to any such position and any incumbent thereof, his appointment thereto, and his right to receive the compensation attached thereto, until appropriate action is taken under authority of subsection (k) of section 505 of the Classification Act of 1949, as contained in the amendment made by subsection (a) of this section.

POSITIONS IN CERTAIN DEPARTMENTS AND AGENCIES SUBJECT TO THE
FEDERAL EXECUTIVE PAY ACT OF 1956

70 Stat. 737. SEC. 3. (a) Section 106(a) of the Federal Executive Pay Act of 1956, as amended (5 U.S.C. 2205(a)), which prescribes an annual rate of basic compensation of \$20,000 for certain positions, is amended by adding at the end thereof the following paragraphs:

“(46) Commissioner of Social Security.

“(47) Commissioner of Education.”.

(b) Section 106(b) of such Act, as amended (5 U.S.C. 2205(b)), which prescribes an annual rate of basic compensation of \$19,000 for certain positions, is amended by adding at the end thereof the following paragraphs:

“(10) Deputy Commissioner of the Internal Revenue Service.

“(11) Chief Counsel of the Internal Revenue Service.

“(12) Administrative Assistant Attorney General.

“(13) Administrative Assistant Secretary of the Interior.

“(14) Administrative Assistant Secretary of Agriculture.

“(15) Administrative Assistant Secretary of Labor.

“(16) Administrative Assistant Secretary of the Treasury.”.

70 Stat. 739. (c) Section 107(a) of such Act, as amended (5 U.S.C. 2206(a)), is amended by striking out “(1) Administrator, Agricultural Research Service, Department of Agriculture.”, “(18) Commissioner of Social Security.”, and “(20) Deputy Commissioner of the Internal Revenue Service.”.

ADDITIONAL SCIENTIFIC AND PROFESSIONAL POSITIONS FOR RESEARCH AND
DEVELOPMENT PURPOSES

5 USC 1161 and note. SEC. 4. (a) Subsection (e) of the first section of the Act of August 1, 1947 (Public Law 313, Eightieth Congress), as added by section 12(c) of the Federal Employees Salary Increase Act of 1958 (72 Stat. 213; Public Law 85-462), is amended to read as follows:

“(e) The Secretary of Agriculture is authorized to establish and fix the compensation for not more than fifteen scientific or professional positions in the Department of Agriculture, each such position being established to effectuate those research and development functions of such Department which require the services of specially qualified personnel.”.

(b) Subsection (f) of the first section of the Act of August 1, 1947 (Public Law 313, Eightieth Congress), as added by section 12(c) of the Federal Employees Salary Increase Act of 1958 (72 Stat. 213; 5 USC 1161. Public Law 85-462), is amended to read as follows;

“(f) The Secretary of Health, Education, and Welfare is authorized to establish and fix the compensation for not more than ten scientific or professional positions in the Department of Health, Education, and Welfare, each such position being established to effectuate those research and development functions of such Department which require the services of specially qualified personnel.”.

REDESIGNATION OF THE POSITION OF ASSISTANT DIRECTOR OF THE ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS

SEC. 5. (a) (1) Sections 601, 603, and 606 of title 28 of the United States Code are amended by striking out the words “Assistant Director” wherever they appear in such sections and inserting in lieu thereof the words “Deputy Director”. 62 Stat. 913.

(2) The analysis at the beginning of chapter 41 of such title is amended by striking out the words “Assistant Director” in the items thereof relating to sections 601 and 606 and inserting in lieu thereof the words “Deputy Director”. 28 USC 601.

(3) Section 107(a) of the Federal Executive Pay Act of 1956, as amended (5 U.S.C. 2206(a)), is amended by striking out “(6) Assistant Director of the Administrative Office of the United States Courts.” and inserting in lieu thereof “(6) Deputy Director of the Administrative Office of the United States Courts.”. 70 Stat. 739.

(4) Whenever the Assistant Director of the Administrative Office of the United States Courts is referred to in any other law, such reference shall be deemed to be to the Deputy Director of the Administrative Office of the United States Courts.

(b) The Director of the Administrative Office of the United States Courts, may, in accordance with the provisions of section 15 of the Administrative Expenses Act of 1946 (5 U.S.C. 55a), procure the temporary or intermittent services of experts or consultants at rates not in excess of \$75 per diem. 60 Stat. 810.

MISCELLANEOUS

SEC. 6. (a) Section 202 of the Classification Act of 1949, as amended (5 U.S.C. 1082), is amended—

(1) by changing to a semicolon the period at the end of paragraph (32) of such section 202, which paragraph (32) was added to such section 202 by the first section of the Act of May 29, 1959 (73 Stat. 63; Public Law 86-36);

(2) by redesignating, as paragraph (33) of such section 202, paragraph (32) thereof which was added by section 3 of the Defense Department Overseas Teachers Pay and Personnel Practices Act (73 Stat. 213; Public Law 86-91);

(3) by changing to a semicolon the period at the end of such paragraph (33), as redesignated by subparagraph (2) of this subsection; and

(4) by adding at the end of such section 202 the following paragraph:

“(34) examiners-in-chief and designated examiners-in-chief in the Patent Office in the Department of Commerce.”.

(b) Section 5(b) of the Defense Department Overseas Teachers Pay and Personnel Practices Act (73 Stat. 214; Public Law 86-91) is amended—

(1) by striking out "paragraph (32) of section 202 of such Act, as added by section 3 of this Act," and inserting in lieu thereof "paragraph (33) of section 202 of such Act, added by section 3 of this Act,"; and

(2) by striking out "such paragraph (32)" and inserting in lieu thereof "such paragraph (33)".

EFFECTIVE DATES

SEC. 7. (a) This section, and sections 2, 4, and 5 of this Act, shall become effective on the date of enactment of this Act.

(b) Sections 1, 3, and 6 of this Act shall become effective on the first day of the first pay period which begins after the date of enactment of this Act.

Approved September 23, 1959.

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